

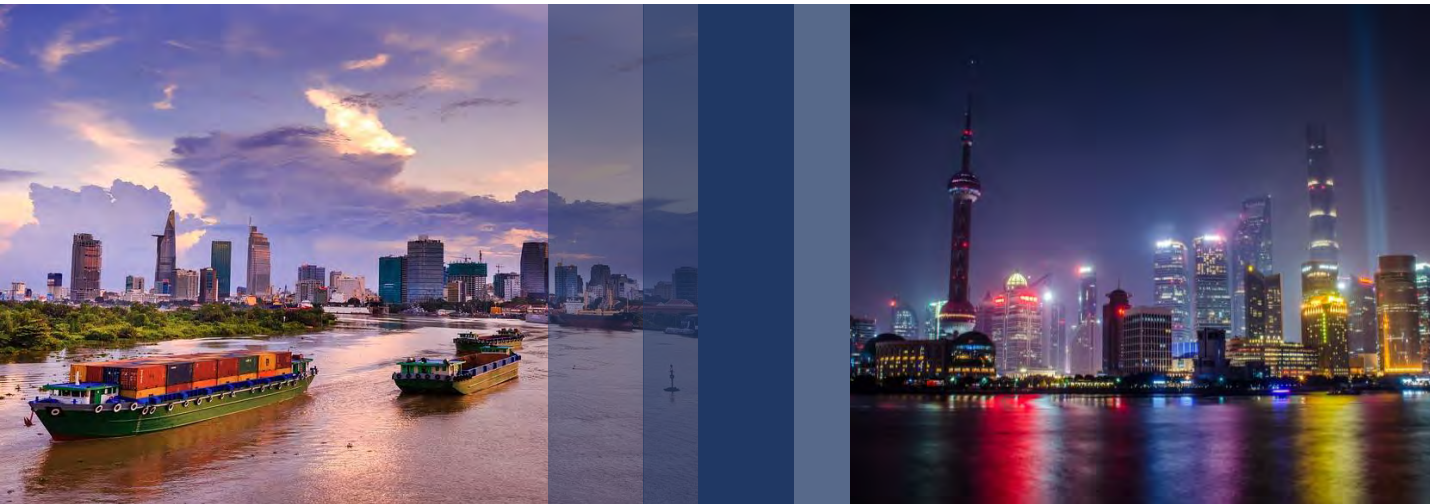


DIHK International Service
Company Limited
Công Ty TNHH
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Delegierter der Deutschen
Wirtschaft in Vietnam
Delegate of German Industry
and Commerce in Vietnam

CHINA +1 WORKSHOPS AND DELEGATION 2018



PROJECT REPORT

Sponsored by:



Legal partner:



Supported by:



Delegations of German Industry & Commerce
German Industry & Commerce Co. Ltd
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INTRODUCTION

STARTING SITUATION

German Industry and Commerce is receiving a substantial amount of enquiries regarding location searches in Vietnam. Most of the enquiring parties are from Chinese subsidiaries of German companies. They are typically considering investments because of the following reasons: 1) Labor costs in China are too high, 2) certain industrial processes are not welcome in China anymore, 3) resettlement of companies from

urban to rural areas. Vietnam is relevant for them mainly because of: 1) low labor costs, 2) geographic location, 3) reliable government policies. Most of the companies we are enquired by are from the sectors of automotive supply, electronics, metal processing and garment production. In Vietnam, they seem to be mostly open for any geographical option in investment. However, for companies planning to deliver to

Chinese sister-companies or customers, an investment in Northern Vietnam is often preferred while companies wanting to export to Germany or ASEAN, southern Vietnam is of upmost interest. For labor-intensive processes central Vietnam (mostly Da Nang/Quang Nam) also seems to be relevant.

THE IDEA FOR THIS PROJECT

To some of the above mentioned companies we are able to sell so called „location analyses“. By doing this, we already have brought manufacturers like Friwo (Long An), Coepto (Long An) and Bauerhin (probably Dong Nai) to Vietnam. Albeit, some of the discussions we lead will not transfer into projects. To our understanding this is mostly due

to yet unconcrete plans of our customers. They are often in an initial state of consideration of investments. These companies do often not want to put financial resources for investment evaluations just yet. To give them the opportunity to assess the Vietnamese investment environment in a low-risk manner, we developed the idea to invite them to a

free-of-cost workshop in Shanghai (where most German companies in China are located) and an on-site delegation to Vietnam sponsored by organizations that we trust to be able to accomodate them in Vietnam. Therefore, we approached BW Industrial, CFLD, Deep C as well as VSIP North and South.

PROJECT SETUP

In Phase 1 of the project, we organized a kick-off event in Shanghai on June 5, 2018 for which we cooperated with our AHK colleagues in China. The aim was to reach the target audience „at home“. Content-wise we supplied the audience with first-hand information on investment opportunities, legal frameworks, a report from an experienced German investor (whom we invited from Vietnam) as well as presentation of the projects of the sponsors. This was followed by a networking dinner. With about 80 participants, this workshop was a huge success.

In Phase 2, we carried out a delegation trip to Vietnam which took place from September 17 to 21, 2018. Aim was to 1) give more detailed information on the local investment environment, 2) introduce potential investment opportunities on-site at the IZ sponsors' sites, 3) give the participants the chance to connect and to exchange with the existing German investors community. 12 companies from a diverse range of industries came to Vietnam to evaluate it as an investment destination.

We flanked these activities with a range of additional Vietnam activities in Germany and ASEAN as well as online which will be introduced on the following pages.

MARKETING (ON-SITE)

The marketing period was roughly from mid-April to mid-August, 2018. During this time, we used events in Germany and abroad to market the „China +1“ project. Beneath, you will find an overview of our on-site activities. Most of them are so called „Vietnam Consulting Days“ where we had individual meetings at German Chambers of Commerce with companies interested in doing business with, or in, Vietnam. Within these meetings we informed about this project where applicable. The below mentioned events with participant numbers of more than ten are workshops. Here, we would inform on the „China +1“ project within our presentation. The sponsors would be mentioned by name and introduced as „premium trusted partners“ of ours.

Date	Event	City	No/Participant
10.04.2018	Vietnam Consulting Day	Düsseldorf	6
11.04.2018	Vietnam Consulting Day	Hamburg	3
12.04.2018	Vietnam Consulting Day	Karlsruhe	4
13.04.2018	Vietnam Consulting Day	Braunschweig	3
16.04.2018	Vietnam Consulting Day	Regensburg	2
16.04.2018	Info Event on „Civil Security Technologies“ in Vietnam	Berlin	20
17.04.2018	Vietnam Consulting Day	Nürnberg	8
18.04.2018	Vietnam Consulting Day	Bayreuth	4
19.04.2018	Vietnam Consulting Day	Chemnitz	6
20.04.2018	Vietnam Consulting Day	Münster	8
23. - 27.04.2018	Consulting @Hannover Messe 2018	Hannover	8
08./09.05.2018	Vietnam-Roundtable	Frankfurt	22
14.-16.05.2018	AHK World Conference	Berlin	n/a
25.05.2018	Vietnam Workshop (2 sessions)	Singapur	38
31.05.2018	Vietnam Workshop	Bangkok	21
05.06.2018	Aden Services Vietnam Event	Shanghai	18
11.06.2018	Vietnam Consulting Day	Wiesbaden	3
12.06.2018	Info Event on „Wind Energy“ in Vietnam	Hamburg	32
13./14.06.2018	Vietnam Consulting Day	Kiel	10
18.06.2018	Vietnam Consulting Day	Berlin	7
19.06.2018	ASEAN „Economic Day“	Erfurt	15
20./21.06.2018	Global Connect	Stuttgart	16
22.06.2018	Vietnam Round Table	Köln	18
Sum	23		272



Global Connect, Stuttgart



Vietnam Workshop, Singapur



ASEAN „Economic Day“, Erfurt



Aden Services Vietnam Event, Shanghai

MARKETING (ONLINE)

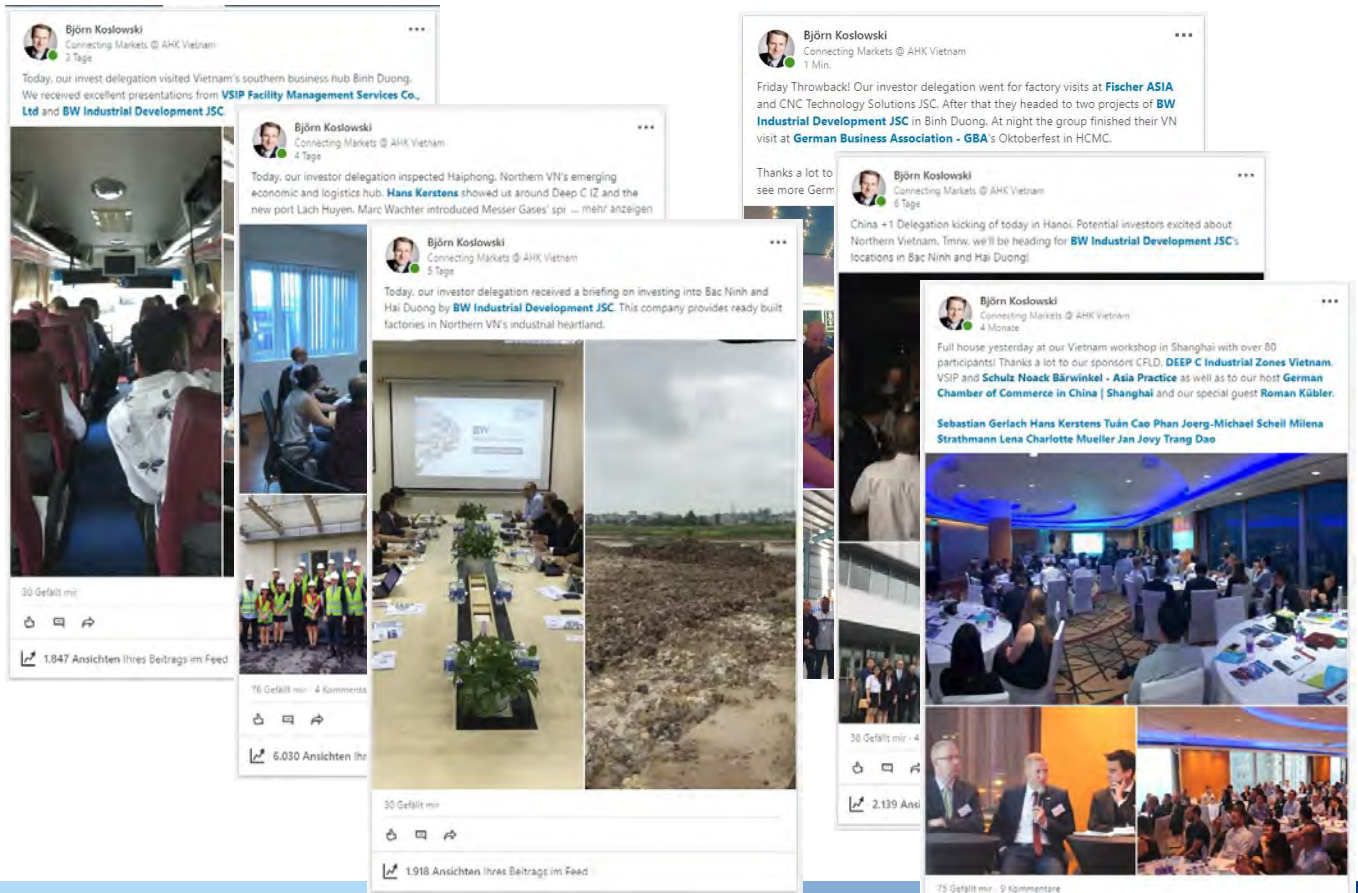
Our main marketing tool was online. We created a site and an online-pamphlet for this project:



We then used the following additional tools to attract potential participants:

- Direct mailing to companies we have been in contact with regarding location analysis: 90 recipients
- Direct mailing to our newsletter group: 3,400 recipients
- Direct mailing to the members of German Chamber of Commerce in China: 2,400 companies (branches in Beijing, Shanghai, Guangzhou)
- Social media: LinkedIn, facebook, twitter

We also advertised the events online during the delegation trip.



KICK-OFF EVENT

The kick-off event took place on June 5, 2018 at the Kunlun Jing-An Hotel Shanghai. Together with our partners from the German Chamber of Commerce in China we were able to attract about 80 participants to this event. Most were working for Chinese subsidiaries of German companies.

Agenda and Presentations:

5:30 – 6:00 pm: Registration

6:00 – 6:10 pm: **Welcome speech**

Mrs. Simone Pohl | Executive Director and Board Member of German Chamber of Commerce in China – Shanghai

6:10 – 6:50 pm: Market Environment Vietnam

Mr. Marko Walde | Chief Representative of German Industry and Commerce in Vietnam (AHK Vietnam)

6:50 – 7:20 pm: Legal Framework Vietnam

Dr. Jörg Scheil | German Attorney-at-Law / Partner, Schulz Noack Bärwinkel Rechtsanwälte

7:20 – 7:40 pm: Lessons learned report

Mr. Roman Kübler | Managing Director of B.Braun Vietnam Ltd.

7:40 – 8:00 pm: **Introductory Pitches** of the industrial zones Deep C and VSIP

8:00 – 8:10 pm: Information on China +1 delegation trip to Vietnam in September 2018

8:10 – 8:30 pm: Q&A session

8:30 – Dinner Buffet and Networking



Setup of the event venue



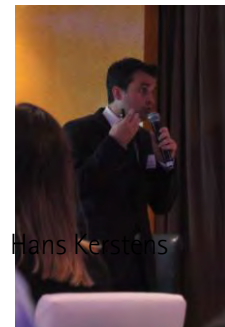
Marko Walde



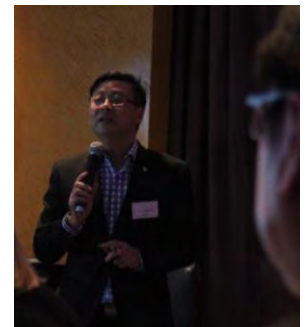
Dr. Jörg Scheil



Roman Kübler



Hans Kerstens



Victor Lim

DELEGATION TRIP

The delegation trip took place from September 17 through 21, 2018. It attracted a group of twelve. With most of the participants, we already had contact in the past. They came from diverse fields, e.g. automotive, electronics, food processing, logistics as well as machinery and appliances. Their motivations to participate mainly went into two directions: 1) Classic „China +1“ companies that wanted to transfer labor-intensive manufacturing from China to Vietnam and then export to China. 2) Companies that had customers in Vietnam they wanted to get closer to. The delegates showed good interest. Q&A sessions often turned out to be over time. Overall, we are convinced that the members of this trip were by the majority potential candidates for investment in the industrial zones that sponsored.

SEPT 17, HANOI



Vietnam Briefing @ AHK office Hanoi



Networking event with German investors



Factory visit @ B.Braun

SEPT 18, BAC NINH/HAI DUONG



Introduction of BWID @ Bac Ninh



Presentation of future BWID RBF site @ Bac Ninh

DELEGATION TRIP

SEPT 19, HAIPHONG



Site visit Lach Huyen Deep Sea Port



Site visit Deep C IZ



Factory visit @ KnauF

SEPT 20, BINH DUONG



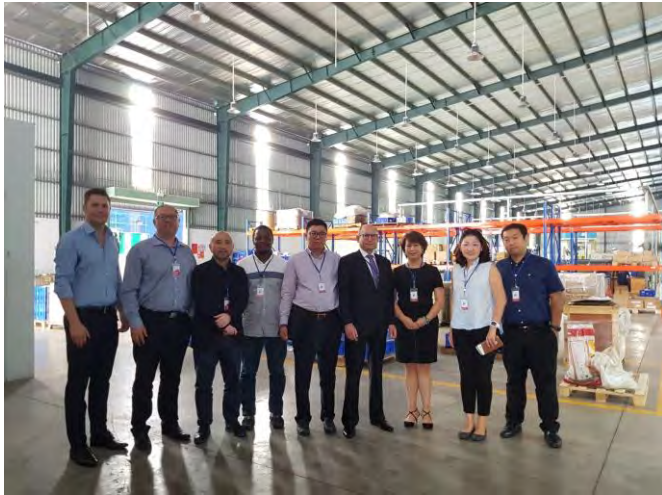
Introduction into VSIP South and BW Industrial



Site tour VSIP I

DELEGATION TRIP

SEPT 21, BINH DUONG / HO CHI MINH CITY



Factory visit Fischer Asia



Celebrating future investments @
GBA Oktoberfest HCMC

THANK YOU!

We would like to express our deepest gratitude to the sponsors of this event. The project showed to all participating parties that Vietnam is a place worth evaluating for manufacturing processes. We are convinced that we can bring more German investment to Vietnam in the future.