

CHINA - OPPORTUNITIES ON A DIFFERENT SCALE - ROCA JUNYENT

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The recent Year of Spain in China has been significant for its impact on the country's top officials and business leaders but even so, much of China remains to be discovered, say Josep Herrero and José Luis Ruiz Galán of Roca Junyent.

"It is clear that senior politicians and businesses leaders in China are now much more aware of Spain and of Spanish business interests," says Ruiz Galán, Director of the firm's Shanghai office.



"But we are also seeing Spanish companies with much wider geographic awareness, preparedness and ambition, than has previously been the case." Among the major areas of investment activity,

they continue to see significant interest in the retail sector but also now a dramatic upturn in franchising and distribution.

"The opening up of the country is prompting foreign companies to expand out of the established commercial centres along the east coast of the country. "There has been a boom in logistics activity", says Herrero, who leads Roca Junyent's China practice. "Beijing, for example, is growing in importance and now not just as a centre for government and regulatory issues."

Nonetheless there remains significant activity around Shanghai, and Ruiz Galán remains confident that it will remain a favoured point of entry for foreign businesses. "The city is China's largest and still the commercial and financial capital, and its most Western influenced. If a foreign business is going to find opportunities anywhere in China it is going to find them in Shanghai."

"We are seeing small, medium and large companies continue to be attracted here, and growing interest in the telecoms, finance and energy sectors," adds Herrero. "China is hungry for energy and there is significant interest in renewable sources."

Ruiz Galán emphasises the scale of the need and of the opportunities still to be discovered. "Shanghai alone has a population of over 16 million but even some of the nearby regional cities have populations of between three or five million – comparable to Madrid or Barcelona."