

Perspectives on the Pandemic:
**Severity of CCP Virus Outbreak in
Netherlands Puts Spotlight on Beijing Ties**

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The Netherlands, a small nation that ranks globally at 133rd in land area and 69th in population, is one of the countries most seriously affected by the CCP (Chinese Communist Party) virus.

As of June 17, the Netherlands has reported more than 49,000 confirmed cases and more than 6,000 deaths. The city of Tilburg and North Brabant Province have become ground zero for the virus's spread, as the first patient in the Netherlands was identified in Tilburg and it also has the highest number of patients in the country.

The tragic spread of the virus in The Netherlands comes as the country has forged closer ties with Beijing in recent years. Especially Tilburg is of pivotal importance in China–Netherlands cooperation in the CCP's Belt and Road

Initiative (BRI, also known as One Belt, One Road). It has numerous business interactions with China.

Chengdu–Europe Express Rail: A Landmark of Belt and Road

North Brabant is an important component of the CCP's Belt and Road project in the Netherlands. In 2016, the Chengdu–Europe Express Rail, which connects Chengdu and Tilburg, was officially opened. This was the only direct freight railway from China to the Netherlands. Compared with 45 days to ship by ocean, it takes only 15 days to travel on land via this express rail, with a cost as low as a quarter of that of air freight.

Tilburg is the sixth-largest city in the Netherlands, with a population of 217,000. The Wilhelmina Canal flows through the city. Because of its advantageous location, Tilburg is a commercial and transportation hub. Key industries in the city include wool, machinery, electrical appliances, and leather.

While the Netherlands is an important gateway to Europe, Tilburg is known as the “logistics gateway” of the country, directly connecting to Rotterdam, as well as Moerdijk in North Brabant, and also to the United Kingdom and France.

In addition, many large international companies have distribution sites here. That's why the Dutch GVT company was chosen by the CCP to operate the Chengdu–Europe Express Rail.

The express rail is a landmark of the CCP's Belt and Road Initiative, and has established a new logistics route for BRI to penetrate into Asia and Europe. It passes through China, Kazakhstan, Russia, Belarus, Poland, Germany, and the Netherlands, spanning a total of 10,947 kilometers (6,802 miles). Through the express rail, a large number of Chinese electrical products, clothing, shoes, and hats are swiftly shipped to the Netherlands and beyond, while wines, milk powder, finished vehicles, and other goods from the Netherlands, France, and Spain can easily enter the China market, taking the BRI project to a new level. The two endpoints, Tilburg and Chengdu, have also become sister cities, laying the foundation for the Port of Rotterdam to become a pivotal part of the BRI in the Netherlands.

In fact, the economic and trade relationship between North Brabant and China has a long history. Deputy Gov. Bert Pauli of North Brabant Province told Chinese state media People's Daily on Sept. 22, 2017, that more than 30 years ago, Philips, a well-known Dutch company headquartered in the province, set up a factory in Nanjing, China, to make

TV components. Today, more than 130 companies in the province have established branches in China's eastern coastal areas. With this foundation in place, it was natural that Tilburg would be chosen as an important location for the BRI project.

Port of Rotterdam Joins Belt and Road

The Netherlands, known as the gateway to Europe, has a well-developed logistics industry. With its superior geographical location, it has established a highly advanced water, land, and air transportation network and has become one of the most important commodity sorting centers in Europe. As a result, China's BRI project has chosen the Netherlands as the nexus for its land and sea transportation networks.

Through the Port of Rotterdam and the Amsterdam Schiphol Airport, the two major freight hubs in Europe, cargo from the Netherlands can arrive at any major EU market within two days.

When the CCP promoted the BRI in the Netherlands, its primary goal was to have the Port of Rotterdam and the local logistics industry cooperate with it, so as to open up a major hub of the "Silk Road by Land and Sea."

The Port of Rotterdam transports goods to and from more than 1,000 ports around the world. Various terminals also have rail transshipment facilities, which means cargo can be loaded directly onto a train at the terminal, making it a perfect choice to access European destinations in the hinterland.

The Euromax container terminal in the port is today's most advanced unmanned loading and unloading terminal, with an annual handling capacity of about 7 million 20-foot equivalent units (TEUs), of which 25 percent of the container throughput comes from China.

The Dutch thought that joining the “New Silk Road” would allow their network of facilities to be extended and gain greater benefits. In particular, the authorities at the Port of Rotterdam were tempted by the fact that, in addition to the traditional maritime business from Asia, land and sea joint transport would allow it to connect to the Chengdu–Europe Express through Tilburg and Duisburg, Germany. Asia–Europe logistics would have more options. With improved connectivity, the port would also have greater profits.

China's BRI project marched into European ports through the state-owned China Ocean Shipping Company (COSCO

Shipping). In May 2016, COSCO Pacific Co., Ltd., a subsidiary of COSCO Shipping Group, signed an equity transfer agreement with ECT Participations B.V., a subsidiary of Hutchison Port Group controlled by Li Ka-shing. COSCO Pacific bought a 35 percent stake in the Euromax container terminal owned by ECT for 125 million euros. After the completion of the acquisition, together with previously existing shares, COSCO Pacific had a 47.5 percent stake in the Euromax container terminal, thus becoming its largest shareholder.

COSCO Shipping holds controlling shares or ownership in many terminals in EU countries such as Spain. As its investment holdings keep increasing, it has more power and influence and is capable of choosing which ports it prefers and which to avoid. After China's BRI brought to the Port of Rotterdam the largest shareholder, the port does have greater connectivity and business expansion, but the Netherlands itself sees no improvement in its ability to allocate logistic routes among various ports.

More Express Rail Lines Connecting to China

In addition to pushing the Port of Rotterdam, Europe's largest port, to join the BRI, the city of Tilburg also led

many Dutch companies to build express railways leading to China.

Following the inauguration of the Chengdu–Europe Express Rail in 2016, Dutch logistics company Nunner opened a new freight route to China two years later. The first train departed from Amsterdam on March 7, 2018, and traveled 11,000 kilometers (6,835 miles) before arriving in Yiwu, Zhejiang Province.

This is the first direct train line between a Dutch port and China. Erwin Cootjans, president of Nunner, said that Amsterdam was chosen as the starting point for a through train because the port offers inland waterway connections to a number of Dutch cities such as Kampen, Groningen, Meppel, Leeuwarden, and Harlingen. There are also fast connections from Amsterdam and Antwerp via short-sea shipping to Great Britain and Scandinavia.

In May 2018, CH Robinson, an international freight logistics group, announced the opening of a new rail freight service, with one end connecting to eight Chinese cities including Zhengzhou, Suzhou, Wuhan, Xiamen, Yiwu, Shenzhen, Guangzhou, and Chongqing, and the other end reaching eight European cities including Malaszewicze, Hamburg, Duisburg, Milan, Tilburg, Lyon, Paris, and

Barking, located in Germany, France, the Netherlands, and the United Kingdom.

The More Trade With China, the Larger the Deficit

The Netherlands is a major trading country and has maintained a trade surplus for years. However, the authorities found that under the framework of the BRI, although the logistic services brought more business opportunities, the country didn't get many actual benefits. On the contrary, there's an increasingly large trade deficit.

Statistics from Eurostat show that in 2016, import and export between the Netherlands and China totaled \$82.49 billion, a decrease of 1.9 percent from the previous year. Specifically, the Netherlands' exports to China were \$11.51 billion, an increase of 11.9 percent; the Netherlands' imports from China were \$70.98 billion, a decrease of 3.8 percent; and the trade deficit for the Netherlands was \$59.47 billion.

In 2017, the total import and export volume between the two countries was \$107.4 billion, an increase of 30.9 percent. The Dutch export to China was \$13.54 billion, an increase of 19.1 percent; the Dutch import from China was \$93.86 billion, an increase of 32.8 percent. The trade deficit that year was as high as \$80.32 billion.

In 2018, the bilateral import and export of goods totaled \$112.64 billion, an increase of 4.7 percent. The Netherlands' exports to China were \$12.56 billion, a decrease of 6.4 percent; imports from China totaled \$100.80 billion, an increase of 6.2 percent. Although the Netherlands elevated its ranking from China's third-largest trading partner in the EU to the second largest in the previous year, the trade deficit between the Netherlands and China further increased, reaching \$87.52 billion in 2018.

More and more people have come to realize that the Belt and Road project actually has become "the Pandemic Belt and Road." The Netherlands is yet another case in point. All important partners of the BRI, such as the Netherlands, Iran, Italy, and Spain, have become the most severely affected areas in the world by the CCP virus. Even Switzerland, a neutral country, was one of the top 10 hardest-hit countries for some time. It has also signed a letter of intent with the CCP on the Belt and Road initiative.

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