

CHINESE INVESTMENTS IN EUROPE: COMPARING THE INTERNATIONALIZATION OF GREEN AND NON-GREEN FIRMS

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GOAL OF THE STUDY

- China has become a leading economy in the world also for the global economic growth during the financial crisis;
- The model is energy intensive and resource depleting
- 12th Five Year Plan focalizes on more safe and sustainable production
- China is currently the most important investor in green energy and EU countries are the prime targets

DEFINITION OF THE SAMPLE

- Starting from the green definition based on NACE list green investment have been selected
- At the end of the study 94 investments were considered as “really green” while the rest 208 were considered “non-really green”
- Following this detailed analysis the research question has been derived:

Companies operating in environmental industry sector tend to have more OFDI in terms of USD amount

STATISTIC ANALYSIS

Differences between «really green» and «non-really green» in terms of:

- *Destnation region*

Pearson $\chi^2(3df) = 21.7527$ Pr= 0.000 **significant**

- *Year of investment*

Pearson $\chi^2(3df) = 21.7527$ Pr= 0.000 **significant**

Variable	Model 1	Model 2	Model 3	Model 4
Green	0.283* (0.228)	0.283* (0.265)	0.604** (0.293)	0.604* (0.363)
Age	-0.102 (0.113)	-0.102 (0.127)	-0.190 (0.144)	-0.190 (0.158)
Size	0.181*** (0.044)	0.181*** (0.049)	0.164*** (0.056)	0.164** (0.065)
GDP			-17.250*** (5.886)	-17.250** (7.109)
GDP per capita			-0.036 (0.227)	-0.036 (0.211)
Human capital			1.779 (4.003)	1.779 (3.567)
Green investment			0.435 (1.663)	0.435 (1.233)
Environmental protection			1.192 (1.202)	1.192 (1.181)
Energy consumption per unit of GDP			15.550 (18.869)	15.550 (18.869)
Technological readiness			0.804 (0.510)	0.804 (0.510)
Constant	1.740 (1.477)	1.740 (1.477)	1.667** (1.793)	1.667** (1.843)
Industry dummies	Yes	Yes	Yes	Yes
Destination area dummies	Yes	Yes	Yes	Yes
Source region dummies	Yes	Yes	Yes	Yes
Year dummies	Yes	Yes	Yes	Yes
Project type dummy	Yes	Yes	Yes	Yes
R2	0.377	0.377	0.464	0.464
Adj. R2	0.2889	0.2889	0.3343	0.3343
Number of observation	283	283	227	227

FINDINGS

The average value of «really green» is higher than 60% of «non-really green» in terms of capital invested

Chinese investments during the period 2003–2011 increased

Some European countries attracts more Chinese investment (especially Germany)

