



SWISS CENTERS

瑞士中心

PRESS RELEASE

Swiss quality products wow visitors at China International Import Expo

- *As an official partner of the China International Import Exhibition since its first edition, the Swiss Centers facilitate the participation of Swiss enterprises. This year, **26 companies showcase their products on a 234 m² Swiss Cluster Booth.***
- ***This year's booth stands out in more than one way:** a record surface area and number of exhibitors, the presence for the first time of two companies new to China, and finally, a corner dedicated to the Swiss wines, the first fruit of the partnership between Swiss Wine Promotion and the Swiss Centers.*
- *While currently the retail and tourism suffer from the pandemic outbreak and China's zero-Covid policies, the government's **"common prosperity" campaign seeks to expand the size of the middle class, which is expected to spur consumption growth in the mid to long term.***

Shanghai (November 3, 2021) – From the finest chocolates and herbal drops, exquisite wines and spirits, refreshing beers all the way to iconic Swiss army knives, coffee machines and air purifiers: during the 4th edition of the China International Import Exhibition (CIIE) in Shanghai from November 5-10, visitors at the Swiss Cluster Booth, can get a real taste of Switzerland. On the 234 m² booth, 26 companies present their high-quality products to an interested Chinese audience. The joint booth, with a record surface area and number of exhibitors this year, is coordinated by the Swiss Centers, a non-profit organization that has been concretely supporting the Swiss economy in developing business in China for over two decades and is an official partner of CIIE since its first edition. Co-organizers of the Swiss Cluster Booth are the Swiss Chinese Chambers of Commerce in Switzerland (SCCC) and in China (SwissCham).

"It is estimated that 150.000 professional purchasers will participate in the CIIE, which will boost an exhibition area of 360.000 square meters," reports Zhen Xiao, CEO of the Swiss Centers Group. "For Swiss companies, already present or not in China, it is an ideal opportunity to showcase and test their quality products in this attractive but complex market."

Besides many well-established Swiss brands such as Frey (owned by Migros), Ricola, Jura or Victorinox, there are also two brands – Morand Distillery and Absinthe Kübler – that are not yet active in China and want to gauge the interest of Chinese distributors and consumers as well as explore the business opportunities in the market with Swiss Centers' support. At the same time, Mr. Xiao adds: "In partnership with Swiss Wine Promotion, we dedicated a corner for Swiss wine producers with a bar serviced by students trained by the world-renowned École Hôtelière de Lausanne (EHL) in China. It is the very first time to gather so many Swiss wines under one roof in China." On November 5, the Swiss Ambassador Bernardino Regazzoni and Consul General Olivier Zehnder will be the guests of honor at the Sino-Swiss Business Reception which will be one of the highlights of the Swiss presence during the CIIE.

Chinese consumption and "common prosperity"





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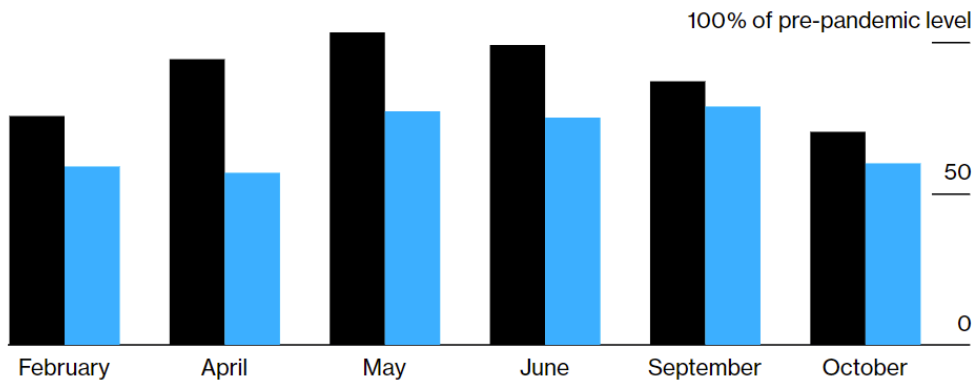
While consumption and tourism experience a difficult year in China because of Beijing’s zero-Covid policy and mobility restrictions, the Swiss Centers experts see a lot of reason for long-term optimism. Mr. Zhen Xiao: “The Chinese zero-Covid strategy will likely continue to weigh on in-person consumption in 2022, and structural problems like a high youth unemployment and low wage growth will also have their effect. But, under the lately launched ‘common prosperity’ campaign, the government seeks to expand the middle class, which undoubtedly will be positive for consumption growth in the long term.”

In mid-July and currently after the National Day’s holiday, China experienced its widest Covid outbreak this year. Authorities implement strict measures that helped to contain the pandemic while having a negative impact on consumption. The caution of consumers is also represented in a weakening travel revenue during the Chinese public holidays.¹

Weakening Travel

Tourism during public holidays declined in recent months over virus outbreaks

■ Amount of trips ■ Revenue



Source: Ministry of Culture and Tourism

Note: figures for public holidays in each of the months, including Lunar New Year, Qingming, Labor Day, Dragon Boat Festival, Mid-Autumn and National Day

In late August, many local governments have started to loosen their virus policies, which have helped retail sales in September, with a growth year-on-year accelerated to 4.4% from 2.5% in the previous month. However, with the increasing cases again lately, the mobility restriction is again in place, and will undoubtedly hurt the consumption growth. At the same time, it is worth noting that the online sales from January to September had a growth of 18.5% compared to the same period in 2020.

“Despite the challenges and uncertainties due to the pandemic situation, we remain confident on the consumption market of China,” Mr. Xiao adds, “With continuing urbanization and increasing number of mid-class families, more Chinese consumers will afford and look after high-quality and exclusive products. Swiss premium products will have an important growth potential.”

The CIIE, the world’s first dedicated import exhibition, will “continue to be a mega show for the world’s latest products, technologies and services”, the organizers said in a recent Press Conference. Like in previous years, the goal of the fair in 2021 is to help participating companies and buyers to reach deals and future cooperation agreements.

¹ Bloomberg, <https://www.bloomberg.com/news/articles/2021-10-14/china-s-economy-is-showing-strain-from-property-to-energy-crises>





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Picture legend: A taste of Switzerland in China: the Swiss Centers organize a Swiss Cluster Booth at the China International Import Exhibition 2021. In the photo is the booth 2019.

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Picture legend: More than 25 Swiss brands showcase their high quality products at the CIIE 2021.

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About Swiss Centers Group

Founded in 2000 as a non-profit Sino-Swiss public-private partnership, the Swiss Centers are by far the largest cluster of Swiss companies in Asia.

Swiss Centers practical solutions supported the businesses of over 400 companies in China – both SMEs and large enterprises. Among others, the Swiss Centers experts have established 50 production companies and more than 50 commercial offices for Swiss companies in both industrial and consumer goods. In cooperation with the Swiss diplomatic representations in China, Swiss Centers also conducts surveys that provide the most detailed expertise available on the situation of Swiss companies in China, and at the same time promotes the Swiss Made brand and Switzerland as a country for quality, innovation and industrial leadership.



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With locations strategically situated on China's dynamic East Coast (Shanghai and Tianjin), Swiss Centers provide:

- Instant physical office space as well as ready-to-use workshops, showrooms and warehouses;
- Trade and supply chain management, including product registration, import/export, transport, warehouse and distribution.
- Relations with local Chinese authorities and connections to Swiss government and institutions in China;
- Support for secure technology transfer and intellectual property protection;
- Access to professional services tailored to SMEs in all aspects of setting up and developing business in China (legal, tax, accounting, recruitment, HR management, IT, marketing).

For more information and some reference cases, kindly visit www.swisscenters.org

Media Contact: Bernhard Hagen, Tel: +86-138-1834-8244, press@swisscenters.org