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Reader's Digest, 4 - 17 November 2017

Swiss and Chinese Business Related News in Switzerland and China

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BILATERAL RELATIONS

[Reception Held by Chinese Embassy and the Society of Switzerland-China on the 19th Party Congress of CCP](#)

Published by [ch.china-embassy.org](#), 8th November 2017

On 2 November 2017, the Chinese Embassy and the Society of Switzerland-China hosted a reception on the 19th Party Congress of CCP and the Sino-Swiss relations in Bern. The Ambassador GENG Wenbing, Mr. Thomas Wagner, the president of the Society of Switzerland-China and the Ambassador Johannes Matyassy took part in this and held an address. In addition, more than 140 guests were present, including people from the fields of politics, business, culture, research, etc., former Swiss diplomats who worked in China, members of the Chinese Association of Science and Technology Switzerland and all members of the embassy.

[Switzerland Launches Platform To Ease Bureaucracy For Business](#)

Published by [news.xinhuanet.com](#), 7th November 2017

The Swiss government on Monday launched an online portal aimed at bundling together in one place various bureaucratic procedures that companies face. Swiss Economy Minister Johann Schneider-Ammann unveiled the EasyGov.swiss platform in Bern. The platform aims to reduce the administrative and financial burdens that companies encounter in their dealings with the State. Schneider-Ammann said that merely launching a business in Switzerland currently requires getting 14 permits from 14 different government departments, and can take more than a year, while in China, the time shortens to two months. "This secure and reliable platform allows companies to electronically process authorization, application and reporting procedures in a single location," says the website of the new platform. It will address three areas of business bureaucracy: starting a company, commercial register changes, and VAT transactions. The website of the Swiss national broadcaster, Swissinfo, commented that though it frequently appears at the top of competitiveness rankings, Switzerland is also sometimes known for "its nebulous webs of administration." In the latest ease of doing business rankings, published by the World Bank, Switzerland came 33rd overall out of 190 countries, and 73rd when it came to the ease of starting a company.

BUSINESS NEWS

[Shanghai Pharma Eyes Acquisitions After Cardinal China Deal](#)

Published by swissinfo.ch, 16th November 2017

Shanghai Pharmaceuticals Holding Co. is exploring further acquisitions after it beat out global buyout firms to buy Cardinal Health Inc.'s Chinese distribution business in a USD 1.2 billion deal. The state-owned drugmaker is scouting for purchases of pharmaceutical manufacturing assets overseas, David Liu, head of mergers and acquisitions at Shanghai Pharma, said in an interview on 15 November. Shanghai Pharma is interested in deals related to specialty drugs, including treatments for cancer and cardiovascular conditions, as well as branded generics, Liu said. Shanghai Pharma is looking for further acquisitions in the U.S., as well as some European countries including Germany and Switzerland, he said. The company would like to sell Shanghai Pharma products overseas and also wants to bring in more foreign pharmaceutical products to sell in China, according to Liu. "After the 19th Party Congress, President Xi has put in place a lot of attention on health care. There's a lot of support from the central government and Shanghai government," he said. "This can be an advantage against private enterprises."

[Zhongshan to Attract More Foreign Investment](#)

Published by BD Pearl Delta, 10th November 2017

Over 21 consulate generals in Guangdong and foreign chambers of commerce took part in a business promotion event organised by Zhongshan Foreign and Overseas Chinese Affairs Bureau, Zhongshan Bureau of Commerce and Zhongshan Federation of Industry Commerce to attract more foreign investors to be a partner in the city's economic growth. The two-day event last week took the delegation of over 21 consulate generals and foreign chambers of commerce representatives from America, Germany, Switzerland, France, etc. to a site visit at Zhongshan's new development district, Tsuiheng New District. Tsuiheng New District is located at the east part of Zhongshan as well as in the geographical centre of the Pearl River Delta. It is a strategic "bridge" that connects the west and the east bank of the Pearl River estuaries. This district holds north to Nansha District in Guangzhou, and is connected the south to Hengqin Free Trade Zone in Zhuhai, east to Qianhai Area in Shenzhen, and is connected the west to the Torch Development Zone of Zhongshan. By hosting this event, Zhongshan government aims to attract more foreign investment to the District. According to a Market Entity Development Statistical Report released by Zhongshan Industry and Commerce Administration Bureau for the second quarter of 2017, there are 4,017 foreign investment companies registered in Zhongshan with 3,121 of them are registered under a foreign national as company's legal person. The total capital of foreign investment has reached 2.44 billion USD. The report also shows that in the first half of 2017, Zhongshan has attracted 163 new foreign investment companies to register and set up their business in the city with a new foreign investment capital of USD 24.14 million.

[Swiss Solar Sector Feels The Heat From China](#)

Published by swissinfo.ch, 3rd November 2017

The number of workers in the Swiss photovoltaic industry has almost halved in the past five years. China, which now has 80% of the global market share, continues to undercut the European market. On 2 November, Meyer Burger, a Swiss solar equipment maker, announced it would discontinue manufacturing at its Thun headquarters by the end of the year, partly relocating to China. This cost-efficiency programme is expected to result in around 180 job losses, mainly in solar panel production. This downsizing continues a trend that began five years ago. In 2011, some 11,000 people were employed in the Swiss photovoltaic industry in production, installation, and research and development. By last year, the figure had dropped to 5,500. What's going on? According to José Martin at Swissolar, the decrease

in production is due to price pressure exerted by Chinese manufacturers – not only in Switzerland, but also in Germany, which was the global leader in the sector until 2015. However, while Swiss manufacturers are hurting, installers, inspectors and maintenance workers are benefiting from the number of solar panels being imported. “Their number has increased and should continue to do so over the coming years,” Martin told Swiss public television, RTS. More and more Swiss roofs are covered in Chinese solar panels. In the first half of 2017, Switzerland imported CHF 85 million (USD 85 million) worth of panels, of which more than a quarter (CHF 23 million) were from China. The Swiss domestic market, which was at the forefront of the photovoltaic sector in the 1990s, is struggling. Turnover has fallen from more than CHF 2 billion in 2011 to some CHF 900 million in 2015.

CULTURE & SOCIETY

[Concert Held to Promote Cultural Exchanges Between China, Switzerland](#)

Published by news.xinhuanet.com, 16th November 2017

(Picture) Li Shuang (Front), tenor of China National Opera House, Chinese Swiss pianist Melodie Zhao and the choir of China National Opera House, perform at a concert in Saint-Prex, a Swiss town near Lake Lemman, on 15 November. China National Opera House held a performance here to promote cultural exchanges between China and Switzerland on Wednesday, attracting hundreds of locals and representatives of international organizations in Geneva.

[Exhibition in Kunming on the Swiss engineer Otto Meister](#)

Published by sinoptic.ch, 7th November 2017

Presented from 29 October to 29 November at the Kunming Museum, this exhibition is entitled Days of a Swiss Pioneer in China. It traces the work of Mr. Otto Meister, who worked from 1903 to 1909 in the Yunnan part of the Yunnan Vietnam Railway, one of the most spectacular railway projects of the last century. She presents photos, private correspondence and other historical documents, fruit of collaboration between the authorities of Kunming, capital of Yunnan Province, and Mrs. Sylvia MEISTER, granddaughter of the engineer. This event also celebrates the 35th anniversary of the twinning between Zurich and Kunming.

GENERAL INTEREST

[Life Expectancy In OECD, Japan, Spain, Switzerland Highest, Latvia And Mexico Bottom](#)

Published by news-medical.net, 12th November 2017

The latest OECD “Health at a Glance” report 2017 has found that countries that have a higher national income that spend more on health have longer life expectancies compared to those who do not. However many other factors also contribute to life expectancy, the report finds. The report shows a direct correlation that a 10% increase in health expenditure by the countries per capita can lend 3.5 months extra to the average life expectancy. Similarly a 10% development in the lifestyle choices towards a healthier lifestyle can lend 2.6 months to the life expectancy. Income too has a role to play with a 10% rise in income per capita contributing to 2.2 months of life expectancy. Same with education - 10% increase in primary education prevalence brings in 3.2 months of life expectancy. Some OECD countries show a below average life expectancy including India, Indonesia, Brazil and China. These countries too have made progress in life expectancy but still have a few years to go before they can meet the OECD average. The start performers with life expectancy beyond 80 years include Japan, Spain and Switzerland. There are 25 OECD countries where average life expectancy is above 80 years.

[Whisky Sold For USD 10,000 A Shot At Swiss Bar Proven To Be Fake](#)

Published by thelocal.ch, 3rd November 2017

A shot of Macallan whisky purportedly made in 1878 that a Chinese man paid USD 10,000 for at a Swiss hotel was actually distilled between 1970 and 1972. The forgery was discovered after Scottish whisky experts travelled to Switzerland to conduct tests, 20 Minuten reported. It finally lays to rest the speculation over the malt's authenticity that arose when the story broke in August. It began when a young Chinese customer entered the Devil's Place Whisky Bar at the luxury Waldhaus Hotel in St Moritz, northeastern Switzerland, and expressed particular interest in rare Macallans. The bar, which has a whisky collection, mentioned in the Guinness Book of World Records, had 47 options, ranging from CHF 7 to CHF 10,000 per glass. The customer chose the bottle marked as an 1878 vintage, which went for CHF 9,999 (USD 10,000) for a two-centilitre measure. According to the online news site, specialists at Rare Whisky 101, who regularly serve as consultants at whisky auctions, established that the bottle's label was a fake. They said carbon dating had shown that the malt had actually been distilled between 1970 and 1972. After discovering the forgery, the proprietor of the Waldhaus, Sandro Bernasconi, travelled to Beijing to apologize to the customer and refund him, the paper said. "It is customary in China to admit your faults," 20 Minuten quoted him as saying. Bernasconi said it was also important to show that "the Swiss are honest people and do not engage in scams".

INDUSTRIES

Engineering / Manufacturing

[Maag Expands In China With Two New Facilities](#)

Published by plasticsnewseurope.com, 8th November 2017

Maag Pump Systems AG has opened two new production facilities in Shanghai and Guangzhou to optimise product and service offerings in the Chinese market. The Oberglatt, Switzerland-based company is a manufacturer of gear pumps, pelletising systems, filtration systems and pulverisers for use in the plastics, chemical, pharmaceutical and food industries. The first of the two facilities is a 4,000 m² facility in the Jiading District of Shanghai. The facility, which opened 1 Nov, will produce pumps and pelletisers while housing offices for sales, service and after sales support. According to Maag, the unit features the "largest rotor-regrinding centre in China", with the ability to process up to 2,000 rotors per year. "We have built this facility with the intention of bringing global manufacturing quality and expertise to China," said Paul Merich, VP and general manager of Maag in Greater China. The second facility is a rotor-regrinding centre in the city of Guangzhou, which will market Maag's rotor-regrinding products and services in the south of China.

[ABB Debuts "Factory of the Future" Solutions at CIIF](#)

Published by abb.com.cn, 6th November 2017

ABB showcased its factory automation solutions and ABB Ability™ Connected Services including robotics, smart sensors, and energy efficient motors and drives systems at the 19th China International Industry Fair (CIIF). The company also showcased three new products and solutions at its 1,300 square meter exhibition booth (booth number: 8.1H-E001) at the National Exhibition and Convention Center, Shanghai. The company's exhibit highlights the connectivity and integration of ABB automation technologies in smart factories, which support Chinese manufacturers at a critical time in the continued transformation of the industry. Under the "Made in China 2025" strategic plan, a new round of technological upgrades and industrial transformation will promote rapid changes in the industrial field. Smart manufacturing, featured with information technology and the accelerated integration of the manufacturing industry will, in turn, increase China's economic development and growth. Chinese manufacturers are moving to highly flexible, increasingly digital intelligent production systems in their shift to the high end of the

industrial value chain.

Bank / Finance / Insurance

[UBS's Qian Says China Is Maturing in Financial Markets](#)

Published by Bloomberg.com, 13th November 2017

(Video) Eugene Qian, chairman of UBS China Strategy Board, discusses China's plan to open up its financial sector and what it means for investors. He speaks on "Bloomberg Daybreak: Asia."

Hospitality / Tourism / Retails

[Richemont Profits Rise As Sales Surge](#)

Published by ft.com, 10th November 2017

A sales surge at luxury goods group Richemont has highlighted the recovery in top-end Swiss mechanical watches as the sector brushes off the threat posed by Apple and other makers of smartwatches. Richemont's watch sales in the six months to September 30 were 15% higher than the same period a year earlier, the Swiss group reported on 10 November. Together with a stronger performance in jewellery, the rebound helped lift operating profits by 46% to EUR 1.17bn. Swiss watchmaking has been hit in recent years by sluggish global economic growth, excessive inventory, a clampdown on corruption in China — as well as the rise of the Apple Watch. But this year, the trends have largely gone into reverse. Richemont, whose brands include Cartier, Van Cleef & Arpels and Montblanc, said most of its markets were "in positive territory", led by mainland China, Korea, the UK and "notably a return to growth" in Hong Kong, the largest export market for Swiss watches. Sales in the UK had been boosted by the weak pound since the country voted to leave the EU. The results were flattered, however, by exceptional measures a year ago to reduce excessive inventory, when Richemont bought back watches and destroyed them. Excluding the prior period's one-time charges of EUR 249m, largely related to the buybacks, operating profits increased 11%.

Legal / Trade / Consulting / Services

[Pwc: Opportunities Emerging With The Rise Of Esports In China](#)

Published by pwccn.com, 7th November 2017

PwC unveils key metrics highlighting the rapid rise of eSports – competitive video gaming events - in China. Already the third largest market globally, PwC data shows that over the next four years, eSports in China is on course to extend by a compound annual growth rate (CAGR) of 26.4%, rising from USD 56 million in 2016, and is estimated to be worth USD 182 million by 2021. Figures from PwC chart the dynamic expansion of eSports in China, now the second largest market in Asia. Currently, only the Republic of Korea generates more value in the region, which itself is expected to reach USD 195 million by 2021, albeit with a lower CAGR of 13.9% over the next four years. The U.S. is still the largest national market by value, anticipated to be worth USD 299 million by 2021, aided by a buoyant 22.6% GAGR. "The evolution of eSports is incredibly exciting and it's unfolding at a staggering scale here in China. As a recent example, last week, the World Championship finals for League of Legends (LoL) - among the most popular video games in China - filled the national stadium in Beijing. And yet ticket sales are just the tip of the iceberg, with millions more watching the finals at home via live streaming, indicating the vast size and range of opportunities that await in this dynamic area." Said Frank Cai, PwC China Assurance partner. According to the PwC Global Entertainment and Media Outlook 2017 - 2021 (E&M Outlook), the upward trend of eSports in China correlates with the nation's booming video game market, which generated revenues of USD 15.4 billion in 2016, and is on track to rival the US – currently the largest market - by 2021, by which time a value of USD 26.2bn is predicted to have been reached.

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