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Reader's Digest, 2 - 15 December 2017

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BILATERAL RELATIONS

[China-Switzerland Year of Tourism Concludes](#)

Published by gbtimes.com, 8th December 2017

The China-Switzerland Year of Tourism concluded with a closing ceremony on Thursday in Lausanne, Switzerland, reports China's state-run media outlet Xinhua. Li Jinzao, head of China's Tourism Administration, said at the closing ceremony that there were over 1.2 million two-way visits between China and Switzerland in 2017, up 12 percent year-on-year. Further, with around 40 flights between the two countries every week, China has become the fourth largest source market of tourists for Switzerland (behind Germany, the United States and the United Kingdom) and "the number is still increasing". According to Alain Gaschen, minister and deputy head of mission at the Swiss Embassy to China, Switzerland's tourist visa application refusal is below 2% for Chinese citizens. Simon Bosshart, an official with Switzerland Tourism, said that Switzerland's resorts are becoming more and more ready to welcome Chinese guests. "Ten (out of 19) ski resorts are providing Chinese ski instructors following previous requests for Chinese language ski lessons", he told reporters from Xinhua. Chinese President Xi Jinping sent a congratulatory message to mark the closing ceremony on 7 December. In his message, Xi stressed the achievements that China and Switzerland had made during this year, which "enhanced mutual understanding between the two peoples and promoted bilateral communication and cooperation in such areas as culture, economy and trade, injecting fresh impetus to the development of China-Switzerland relations". The tourism year was launched by Xi and his Swiss counterpart Doris Leuthard in Davos on 17 January, 2017.

[Chinese Ambassador to Switzerland paid a Visit to the New Swiss Federal Councilor and Foreign Affairs Minister](#)

Published by ch.china-embassy.org, 6th December 2017

On 4 December, Geng Wenbing, the Chinese ambassador to Switzerland, paid a visit to the new Swiss Federal Councilor and Foreign Minister Cassis. Ambassador Geng said that at present bilateral relations and the pragmatic

cooperation in all fields have developed rapidly and reached the best period in history. China and Switzerland, strengthening mutually beneficial cooperation and enhancing communication and coordination, will not only benefit each other's own development but also play an active role in the development of a more equitable and rational world pattern. China looks forward to deepening cooperation with the Foreign Affairs Minister and jointly pushing forward the innovation and strategic partnership between China and Switzerland. Mr. Cassis said that the friendly cooperative relations between Switzerland and China have a long history and a solid foundation. In particular, the bilateral free trade agreement that took effect a few years ago brought the level of economic and trade cooperation between the two countries to a whole new level. At present, the two countries have maintained close communication on all aspects of the development of bilateral relations through dialogues and communication mechanisms in various fields and are looking forward to further enhancing the friendly exchanges with China and jointly pushing the relations between Switzerland and China to a new level.

BUSINESS NEWS

[China Tops Export Destination Ranking for Swiss SMEs](#)

Published by expatica.com, 13th December 2017

A study commissioned by Switzerland Global Enterprise (SGE) indicates that China is the most attractive export destination for Swiss small and medium enterprises (SMEs). A total of 107 countries were evaluated using a set of 15 criteria that included market size, market potential, export volume and average market growth in recent years. China's GDP of USD 11.2 trillion (CHF 11.05 trillion) in 2016 with a growth rate of over 6% makes it a very significant market. A free trade agreement with Switzerland that came into effect in 2014, offers certain advantages to Swiss companies. "Customs duties for a number of sectors have already been reduced or even abolished by the agreement. This gives Swiss companies a price advantage over European competitors, for example," said Alberto Silini, head of consulting at SGE.

[China's Pollution Crackdown to Be a Major Driver for Commodities](#)

Published by smh.com.au, 12th December 2017

China's attempts to reduce pollution will be a major driver of commodity demand in the near and long-term, and deliver a boost in demand for "green" commodities used to make electric vehicles and renewables, according to a new report from investment bank UBS. UBS, which is monitoring air quality records from more than 2100 locations in China, says air pollution in cities affected by the winter industrial closures is "clearly better" than in winter last year. But UBS flags further action from Chinese authorities to curb pollution, if air quality deteriorates over winter. "We expect China's action to steepen cost curves, to result in further closures, and to boost demand for "green" commodities used in renewables, EVs (electric vehicles) etc," the UBS report said. The investment bank also highlighted a recent regulatory change in China that could lead to increased pollution, and in turn lead to more cuts to industrial production. China's Ministry of Environmental Protection recently allowed cities and districts not equipped with natural gas or grid heating facilities to use coal-fired furnaces for heating instead, it said.

[Mouvent Explores Chinese Textile Market](#)

Published by fibre2fashion.com, 11th December 2017

China is one of the potential markets for textiles, said Mouvent, a new company focused on digital print using pioneering digital technology headquartered in Switzerland. Making its textile exhibition debut in China, the company showcased TX801 8-colour multi-pass digital textile printer producing prints at Shanghai Tex 2017 that ended recently. "As we started to look into textile, we did market research and found out China has one of the biggest market

potential, aside India, Italy and Turkey. Considering competitive environment, we have positioned our printer mid-to-high end, which enables crisp, colorful, very high printing quality in a cost-effective way. Textile market is the next market that is going digital. We have started to set up a network within textile industry. We have established a strong relationship with Paul Yuan in China and experts in other countries," said Reto Simmen, CBO Mouvent, in an interview, according to the press release of Shanghai International Digital Printing Industry Exhibition (TPF). With an ink development centre in Switzerland, the company is planning to introduce a double speed machine with 16 heads integrated in the second half 2018, which will double the output. "In 2019, we will introduce a single-pass machine. I'm convinced China is a good market," concluded Simmen.

CULTURE & SOCIETY

[The SwissCham Night 2017](#)

Published by cn.swisscham.org, 15th December 2017

On 8 December, The 3rd edition of the SwissCham Night was held in a warm and welcoming atmosphere at the NUO Hotel, attracting more than 170 guests from the Sino-Swiss business community. During the evening, the Platinum Sponsor Zhongshan Sino-Swiss (European) Industrial Park (SSIP) gave a presentation to introduce their facilities and guests enjoyed the chance to win fantastic prizes from the Lucky Draw. A special thank you goes out to all of the sponsors that made the event a success!

[Chinese Banker Joins CCB in Zurich](#)

Published by finews.com, 12th December 2017

China Construction Bank (CCB), the only Chinese bank in Switzerland, has expanded the Zurich-based team with a currency expert. The banker previously worked for a U.K. agency in Beijing. Xinxin Liang is working as a relationship manager at the treasury of CCB in Zurich, according to a statement on 6 December. Liang is advising companies on cross-border transactions and the Chinese money market, drawing on her vast network of contacts in China. She also helps companies to participate in the investment program called QFII/RQFII, according to the statement. The banker previously worked on the renminbi project of the U.K. Commonwealth Office in Beijing. She also has a past at Anglo-Chinese banking giant HSBC, working on the financial policy team in London. With the hire, CCB shows that it is about to start expanding its business in Switzerland following the initial start-up phase. CCB in October 2015 opened a branch in Zurich, drawing a lot of attention in the financial heart of Switzerland. The bank currently has about 20 people under contract.

[“ICONS”, Photography Project at Lianzhou Foto Festival](#)

Published by 别样瑞士 SwissChat, 7th December 2017

Two Swiss-based artist-duo Jojakim Cortis & Adrian Sonderegger will display their project “ICONS” at Lianzhou Foto Festival, a large -scale global photography festival that is widely regarded as one the most integrated and symbolic event of the field. “ICONS” is an enticing game played with images from the history of international photography that are frequently cited and revered as icons.

GENERAL INTEREST

[EU, Japan and US to Ramp Up Trade Pressure on China](#)

Published by ft.com, 12th December 2017

The EU, Japan and the US are set to announce a new alliance to take on China more aggressively over trade issues

such as overcapacity in steel and forced technology transfers, in a rare effort at international economic co-operation by the Trump administration. In a statement due to be issued on 12 December on the sidelines of a WTO meeting, the three economies will target the "severe excess capacity" in important sectors like steel and the role of illegal subsidies, state financing and state-owned enterprises in fuelling it, according to a draft read to the Financial Times. Also targeted are the rules in countries such as China that require foreign investors to hand over important proprietary technologies or house content and data on local servers. The statement will not name China. But it reflects all three economies' growing angst about its continuing economic rise, officials said. The goal is to stave off a feared surge in protectionism. A new study due to be released on 12 December by Simon Evenett, a researcher at St Gallen University in Switzerland, is set to show that protectionist measures introduced since the 2008 global financial crisis have caused the growth of EU exports to stall. Subsidies, Mr Evenett said, have been a major component of that. "This isn't the protectionist mix our forefathers would have recognised and reflects the holes in the WTO's rule book, especially as they relate to subsidies," he said. EU officials are also keen to convince the Trump administration to embrace the WTO as a venue for fighting its trade battles rather than going it alone.

[Chinese Satellite Closes in on Dark Matter Mystery](#)

Published by [tribune.com.pk](#), 30th November 2017

Scientists have detected cosmic ray energy readings that could bring them closer to proving the existence of dark matter, a mysterious substance believed to comprise a quarter of our universe, a study said 30 November. Likely made up of unknown sub-atomic material, dark matter is invisible to telescopes and can be perceived only through its gravitational pull on other objects in the universe. The team of researchers from China, Switzerland and Italy, who published their first results in the journal Nature, said the data may cast light on "the annihilation or decay of particle dark matter". And this project is a collaboration of more than 100 scientists, students and technicians in China, Switzerland and Italy and funded by the state-backed Chinese Academy of Sciences. Beijing invests hundreds of billions of dollars in scientific research each year, under a five-year plan for 2016 to 2020 that seeks to lift the country's technological research capabilities into the world's top 15.

INDUSTRIES

Engineering / Manufacturing

[ABB Cup National Intelligent Technology Thesis Contest Kicks Off](#)

Published by [abb.com](#), 5th December 2017

At the "ABB Ability Innovation Day" held in Beijing today, ABB and the Chinese Association of Automation (CAA) signed an agreement to kick off the "First ABB Cup National Intelligent Technology Thesis Contest" (previously named the ABB Cup National Automation Thesis Contest). Under the theme of "Innovation of intelligent technologies creates the future", the contest aims to promote the close integration of academic research and industrial development, and to provide new insights to the digital transformation of China's industrial economy. Dr. Gu Chunyuan, Chairman and President of ABB (China) said, "The Chinese economy is at a key stage of transforming development mode, optimizing and upgrading its structure, and shifting between new and old driving forces. The digital and intelligent technology is becoming an increasingly important impetus to enable this shift. Based on the successful experience over the years, the Contest will now focus more on the innovation and application of intelligent technology. It will provide a broad platform to display and exchange local innovations, to promote the integration of industry and academic research, and to support the domestic enterprises to seize the opportunities in the new industrial revolution with intelligent technologies."

Bank / Finance / Insurance

[China Likely to Set Slower GDP Growth Target for 2018, UBS Says](#)

Published by bloomberg.com, 6th December 2017

(Video) China's main annual economic policy meeting is likely to set a slightly lower growth target for 2018, suggesting that deleveraging will be gradual and no "serious" property tightening measures are in the pipeline. That's according to Wang Tao, head of China economic research at UBS Group AG in Hong Kong. She argues in a Dec. 5 note that policy makers won't drop a numerical growth target altogether, though may set a range similar to this year's at around 6.5 percent without repeating this year's language that it should be higher if possible in practice. Policy makers usually convene their annual Central Economic Work Conference in December. The growth target is usually announced in March at the meeting of the country's legislature. Though President Xi Jinping didn't specify a longer-term growth target at the twice-a-decade Party Congress in October, "we think the government still intends to achieve the goal of doubling 2010 gross domestic product by 2020, as an essential part of achieving the 'prosperous society' objective," Wang said. "To achieve this goal, China needs a 6.3 percent annual real GDP growth rate in the next three years. As such, and since the government is also keen on continuing supply side reform and deleveraging, we think the growth target will be set lower and de-emphasized."

Hospitality / Tourism / Retails

[10 Key Points for Successfully Working with Franchise Partners](#)

Published by 5starplusdesign.com, 24th November 2017

China and its cities Beijing and Shanghai are on the top of the list of new sales territories for many retail brands. While there are many ways to enter the market (such as export – directly working with wholesalers or distributors - working with licensees, or founding a subsidiary in China), many brands choose a franchising model where they work with one or more local partners for their expansion strategy. A franchisee sells products based on a proven brand concept and has to adhere to many different regulations imposed by the brand headquarters (including the store design, staff attire, product range to be carried, product display, and prices). In author's view, the two most important things to be considered when working with a local company are the selection of a partner who shares your vision, as well as consistent follow up and control when implementing the brand image. Here in the article are the top 10 key aspects to consider: select your partner carefully, exclusiveness, the contract, minimum purchase order, marketing expenses, marketing materials, store identity handbook, control of the brand image, the pricing policy, regular training of staff.

Legal / Trade / Consulting / Services

[2017 APEC CEO Survey - China Report](#)

Published by pwccn.com, December 2017

The global business and trade environment is in flux. The US and Britain have disrupted long held free trade agreements and this rising economic nationalism is affecting business strategies and opportunities globally. In light of global developments such as US's exit from Trans-Pacific Partnership (TPP), China has emerged as the new leader for global trade and the voice of inclusive globalisation. As Chinese companies become more prominent globally, they are pursuing innovation and technological advancement due to an increasingly competitive domestic and international landscape. With these evolving realities, PwC's 2017 APEC CEO Survey asked 202 business leaders in mainland China and Hong Kong about their perception of trade trends, how businesses are organising themselves, their operational challenges, their outlook and expectations with new trade orientations.

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