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Reader's Digest, 29 September – 12 October 2018

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BILATERAL RELATIONS

[Swiss Incubator Kicked Off in Tianjin](#)

Published by [globaltimes.cn](#), 8th October 2018

The Swiss Incubator, a platform dedicated to high-tech startups which was initiated by the Embassy of Switzerland in China, drew a successful conclusion on 19 September on the sideline of the World Economic Forum's 12th Annual Meeting of the New Champions in Tianjin (WEF Tianjin). Attended by Swiss and Chinese government officials, 10 handpicked fast-growing high-tech companies from Switzerland presented their advanced technologies and potentials of their products. They showcased Switzerland's global leadership in bottom-up innovation at the nexus of industry, technology, art and design. The event, for the third time hosted during the WEF, is expected to strengthen the link between Switzerland and the WEF. The 10 startups are engaged in different industries, in which Switzerland has leading advantages, including biotech, pharmaceuticals, electronics, mechanics, and clean technology. The startups are also in China for a 10-day road show within the framework of Venture Leaders China 2018, organized by Swissnex China and Venture lab. With business workshops, investor meetings and public events in Hong Kong, Shenzhen, Shanghai, Beijing and Tianjin. The road show offers the startups unparalleled exposure and insight into the Chinese market, along with learning about business opportunities, how corporate affairs work, pitching to investors and getting insights from experts. "Switzerland is being known as the leading country globally in terms of innovation and technology. Originating from Switzerland, they have the strong desire to go abroad, especially China for big markets and collaboration opportunities," said the Swiss Ambassador to China Jean-Jacques de Dardel.

BUSINESS NEWS

[Huawei Cloud Becomes a Cloud Foundry Infrastructure Provider](#)

Published by cloudfoundry.org, 10th October 2018

Cloud Foundry Foundation, home of a family of open source projects including Cloud Foundry Application Runtime, Cloud Foundry Container Runtime and Cloud Foundry BOSH, announced at the 2018 European Cloud Foundry Summit in Basel, Switzerland, that Huawei Cloud has become one of Cloud Foundry's infrastructure providers. This is another major breakthrough for Huawei in the open source ecosystem, following its recent announcement that it became the only commercial Certified Provider of Cloud Foundry in Asia. Cloud Foundry's 2018 European Summit took place through 11 October and will announce news from member organizations such as Huawei as well as the Foundation's official launch of its Certified Systems Integrator Program. Huawei joined the Cloud Foundry Foundation in 2015. Since then, Huawei has become an active participant in the Cloud Foundry BOSH, CPI and Open Service Broker API (OSBAPI) communities. The company has contributed several improvement proposals to Cloud Foundry's OSBAPI community in order to help ensure the correctness and standardization of community compliance testing. Huawei has also enabled a seamless, one-button deployment of Cloud Foundry on Huawei Cloud.

[Chocolate's Use in Bakery is a Booming Business in China](#)

Published by bakeryandsnacks.com, 8th October 2018

Once perceived as an exotic delicacy – bought only as a luxury gift or an extravagant treat – the Chinese consumers' taste for chocolate is growing and the ingredient is quickly cementing a niche for itself in bakery. The younger generation, in particular, is ushering in a new penchant for chocolate, and people are enjoying it for themselves more regularly, according to Jean Marc Bernelin, head of Barry Callebaut's Chocolate Academy in Shanghai. "It's no longer surprising to hear of a Chinese consumer buying chocolate for themselves," he said. Market research firm Ebrun reported sales of chocolate were valued at about RMB 20 billion (USD 2.9 billion) in 2015, forecast to grow to RMB 40 billion (USD 5.8 billion) by 2020. This is big news for the relatively small but growing confectionery industry in a country that boasts a population of around 1.3 billion people. It is also already having a major impact on China's bakery sector, which is booming. The Swiss confectioner – the world's biggest maker of chocolate for customers - is firmly set on expanding its production in China and is eyeing the growth potential of the mammoth market. It presently supplies chocolate to retail brands, bakeries and restaurants on the mainland through its factory in Suzhou, which has a current annual capacity of 250,000 tons.

[Hong Kong: Hotspot for Swiss Medtech](#)

Published by s-ge.com, 4th October 2018

Hong Kong relies heavily on imports to satisfy its medical equipment needs since the city's medical equipment production is low. Switzerland is regarded as a country with quality healthcare and a reliable partner in medical sciences. Hong Kong has always been a trendsetter, especially to its neighbor – Mainland China. The strength of its own local industry has allowed it to become a major reference point when it comes to medical technology, health care and dental technology. Hong Kong also offers close proximity to manufacturing capabilities in Shenzhen and Guangdong-HK-Macau bay areas. Following formats and/or collaborations are an excellent starting point for fact finding, market analysis, partner search, and marketing activities: Medtech Forum Asia Pacific 2018, Optical Fair, Start Me Up Festival, China Med, Medical Devices and Supply Fair, Medtec China. By 2043, 36% of Hong Kong's population is expected to be 65% or above, 10% will be 85% and above. Since 1990, elderly healthcare spending has risen by 525%. The Hong Kong government is looking for creative solutions or strategies for elderly care

and there is a demand for elderly-related services which will definitely keep increasing. Switzerland is well recognized locally for its high-quality retirement centers – a great potential for market entry.

[Alpadis Expands in Hong Kong with New Acquisition](#)

Published by internationalinvestment.net, 3rd October 2018

Swiss-based fiduciary services provider Alpadis is bolstering its Asian presence with the acquisition of Louvre Fiduciary in Hong Kong. The expansion allows the firm to increase its services in Hong Kong and expand into new sectors and follows the recent appointment of Samy Reeb as managing director of Alpadis Trust Limited, who leads the trust and wealth planning segment of Alpadis Group in Hong Kong, according to the company. “Hong Kong is one of the biggest growth areas for Alpadis Group and we have enjoyed significant interest in corporate and wealth preservation services in what is one of Asia’s biggest financial services hubs” said Alain Esseiva, chief executive of Alpadis Group. “That is why our acquisition of Louvre Fiduciary (HK) Limited is a perfect fit for us. We will be able to provide a range of wealth and corporate services to more firms, family offices and individuals, and also expand into newer sectors such as insurance with the new capabilities that we have. “Last year we expanded in Singapore through an add-on acquisition, and this year we are continuing our growth in Hong Kong, and I look forward to continuing our Hong Kong success,” he added in a statement.

[CNNMoney Switzerland Goes to China and Launches a New Program with swissnex](#)

Published by mediago.ch, 28th September 2018

CNNMoney Switzerland debuts a special series about China and presents its new editorial partnership with the Swiss global network swissnex. CNNMoney Switzerland brought the latest on what Swiss companies need to know when they do business in China. “China: Dealing with the New Superpower” was about market access, the consequences of the trade war with the U.S., and China’s new ambitions in specific sectors, including its capabilities to shift to an innovation-driven economy. With a dedicated team there, including Olivia Chang, Joël Espi, and Frédéric Lelièvre, CNNMoney Switzerland featured special coverage of the World Economic Forum meeting in Tianjin. It also produced some content from the CNN International studio in Hong Kong. “China is a very important market for Switzerland and Swiss companies, and we want to take a close look at how the new superpower changes the international political and economic landscape,” says Editor in Chief Urs Gredig. CNNMoney Switzerland announced the launch of a special monthly program with swissnex, the Swiss global network connecting the dots in education, research, and innovation. Together they will inform their communities and viewers on what Swiss innovators and entrepreneurs need to know from the fastest major markets around the globe. “Scientific and technological innovation and its impact on society concerns us all,” says Christian Simm, CEO of swissnex Boston. In collaboration with CNNMoney Switzerland and from five of the world’s most innovative regions, the swissnex network is delighted to share the dreams, challenges and achievements of the researchers, creators, and entrepreneurs who are inventing the future.”

CULTURE & SOCIETY

[Tonhalle Orchestra Zurich at Grand Music Festivals in China](#)

Published by prohelvetia.cn, 9th October 2018

The reputed Tonhalle Orchestra, being Switzerland’s oldest symphony orchestra, is invited to perform at Beijing, Shanghai, and Wuxi’s famous music halls on the occasion of the 20th Shanghai International Arts

Festival and the 20th Beijing International Music Festival. For the first time, the new conductor and music director Paavo Järvi will take the lead to present great music pieces including Mahler's expressive «Symphony No.5». Consisting of just over 100 musicians from 20 nations, the Tonhalle Orchestra Zurich performs 50 different programmes at more than 100 concerts every season. In the last two decades, the ensemble has appeared in more than 70 cities in 14 countries, accompanied by distinguished soloists such as Joshua Bell, Rudolf Buchbinder, Alfred Brendel, Nelson Freire, Julia Fischer, Hélène Grimaud, Yuja Wang, Jean-Yves Thibaudet, Yo-Yo Ma, Lisa Batiashvili, Maria João Pires and Sabine Meyer. The 2018/19 season will see the Orchestra tour the musical centers of Asia with Paavo Järvi, its designated Chief Conductor and Music Director, who will be taking up his post as of the 2019/20 season.

[Visual Thinking Musician Rio Wolta's New Album Tour](#)

Published by prohelvetia.cn, 26th September 2018

Rio Wolta is a 29-year-old musician, author, and director from Switzerland. He formed his first band in the Swiss Alps during a snowstorm on 2500 meter above sea level when he was at the age of 15. Seeking visibility and a more engaging group of audience, he moved to Zurich in 2010. Rio Wolta realized that people fantasize while listening to music, and therefore, sought a way to capture those pictures and bring them to reality. As methods of expression, he has let excavators dance in a video, worked with tennis ball machines for a theater play or made the soundtrack for self-driving lawn-mowers. This year, Rio Wolta is releasing his second album called «No More Intimate Music». China is the place he has toured for three times and will be the first country he is presenting this album live. To him, China is the fastest changing country he has been to, which makes it for him a very inspiring place for new ideas. In 2017, he stayed at the Red Gate Gallery in Beijing as an artist-in-residence; and played four solo shows in Beijing, Tianjin, and Dalian under the support of Pro Helvetia Shanghai. This time, Rio Wolta will bring his whole band to seven concert shows in China promising to be loud and breathtaking.

GENERAL INTEREST

[Swiss Tennis Star Federer Warns Rivals He is Ready for Shanghai Masters Title Defence](#)

Published by thelocal.ch, 10th October 2018

The 37-year-old Swiss has been carefully managing his schedule in recent years, cutting out the clay-court segment of the season since 2017 to wring the most out of his ageing body. It appears to be working and the 20-time Grand Slam winner opens his defence of the Shanghai Masters today in ominously good shape. The world number two played in a victorious Laver Cup campaign in Chicago two weeks ago, following his surprise last-16 defeat to the Australian John Millman at the US Open. "The good thing is after feeling good in practice I played a good Laver Cup, have had also some rest after the US Open," said Federer. The Swiss great's prime threats in Shanghai are likely to come from world number three Djokovic – who is in fine form – and fourth-ranked Juan Martin del Potro. World number one Rafael Nadal, beaten by Federer in last year's final of the Masters 1000 showpiece, is absent with injury. Del Potro, who was hindered by cold and flu in losing Sunday's China Open final to unseeded Nikoloz Basilashvili, said in Beijing last week that he was running on empty. Not so Federer, it seems, who is seven years older than the Argentine.

INDUSTRIES

Engineering / Manufacturing

Novartis Buys 9% Stake in Chinese Kymriah Manufacturing Partner

Published by bioprocessintl.com, 2nd October 2018

Novartis has paid USD 40 million for a 9% stake in Cellular Biomedicine Group (CBMG), a Shanghai-based firm which will manufacture CAR-T cell therapy Kymriah for the China market. Under terms of the deal, CBMG will take responsibility for the manufacture of the chimeric antigen receptor (CAR) T-cell therapy Kymriah (tisagenlecleucel) from its facility in Shanghai, China, on behalf of Novartis entity Beijing Novartis Pharma for supply in China. "Aligned with our global supply and regulatory strategy, Novartis actively has been pursuing options for additional manufacturing capacity to help meet global demand for Kymriah," Julie Masow, a spokesperson from the Swiss pharma giant told BioProcess Insider. "CBMG came to our attention as we were looking for a collaborator that would be capable of helping us to manufacture and supply Kymriah to patients in China, as local regulations require that the product be manufactured in China." Previously, Chinese drug firms were not allowed to resort to contract manufacturing organizations (CMOs), so relied almost entirely on overseas manufacturers. But in 2015, the Chinese government implemented the marketing authorization holder (MAH) system completely rewriting regulations governing the way that pharmaceuticals, are manufactured, researched, clinically developed, and reviewed. While these continue to evolve, they demand biopharmaceutical CMOs to operate locally.

Bank / Finance / Insurance

SOEs to Sell 26% Equity in UBS Securities as a Package

Published by atimes.com, 11th October 2018

The Beijing Equity Exchange has announced two transactions on its official website involving the transfer of equity of UBS Securities. According to the latter online advertisement, two state-owned enterprises are planning to sell a total 26.01% of the shares of UBS Securities, The Paper reported. The China National Cereals, Oils and Foodstuffs Corp., is seeking to transfer 14% shares of UBS, with a transfer price of RMB 461.72 million (USD 66.68 million). Guodian Capital Holdings Co. Ltd., an insurance subsidiary of China Guodian Corp., one of the five largest power producers in the country, also aims to transfer 12.01% of its equity of UBS at a reserve price of RMB 396.09 million. It is worth noting that the transferee of the two property transactions must be the same party, which means investors must buy them as a whole package. So, if UBS Group buys the package, it will hold 51% shares of UBS Securities and become the controlling shareholder of the company. Therefore, UBS Securities will also become the first foreign-controlled brokerage firm in China.

UBS May Be China's First Foreign-Controlled Brokerage as COFCO, Guodian Sell Stakes

Published by yicaiglobal.com, 11th October 2018

UBS may have become China's first fully foreign-owned brokerage following moves by two Chinese companies to sell off stakes in the Swiss investment bank's local unit. China National Cereals, Oils and Foodstuffs Corporation and Guodian Capital Holdings sold their respective 14% and 12% stakes in Chinese joint venture UBS Securities as a package to a single buyer for a combined CNY 858 million (USD 123.6 million), a Beijing Equity Exchange statement says. Although the buyer remains unknown at present, the move may make UBS Securities the first foreign-controlled broker in China. The transfer clause also

stipulates that the existing shareholders are the preferred purchasers and have a first-option on the transfer. Beijing Guoxiang Asset Management holds a 33% stake in the unit, while UBS holds 24.99%. Guodian, COFCO and Guangdong Transportation Group each hold a 14% stake. If the transferee is ultimately UBS, the Swiss bank will hold 51% of equity and become the controlling shareholder. UBS declined to comment on the report. Chinese authorities brought in new rules in April allowing foreign investors to hold up to 51% of shares in their local brokerage units in the country. UBS was one of the first to apply to the Securities and Futures Commission to up its shareholding.

Hospitality / Tourism / Retails

[Richemont in Talks to Buy Buccellati from Chinese Owner](#)

Published by retailnews.asia, 8th October 2018

Swiss luxury holding firm Richemont is in talks to acquire jewellery manufacturer Buccellati from Chinese holding company Gansu Gangtai. The Chinese company took an 85% shareholding in the Italian company a year ago for USD 226 million, but the brand has performed poorly during the first half of this year. Gansu Gangtai's initial plans to invest further in the brand have been scuttled by new restrictions in Chinese foreign investment and reported management difficulties. The company is currently valued at USD 313 million under the proposed deal, in which a Qatari investor, Mayhoola, has also expressed interest. Buccellati turns 100 next year and is known for its ornate, lush jewellery designs and bejewelled, golden iPad covers. It operates physical stores in Shanghai and Beijing, as well as retailing online on JD.com.

Legal / Trade / Consulting / Services

[China Legal Report](#)

Published by wenfei.com, 8th October 2018

Wenfei Attorneys-at-Law Ltd released new China Legal Briefing in August on the topic of "Notice on Active and Effective Use of Foreign Investment to Boost High-Quality Economic Growth. In recent years, the State Council of the People's Republic of China has published several policies to open up and make use of foreign investment. On 10 June 2018, the Notice on Several Measures Concerning the Active and Effective Use of Foreign Investment to Boost High-quality Economic Growth ("Notice") was released and came into effect on the same day. As the very first document released in 2018 concerning foreign investment from China's top authority, the Notice covers 23 measures in six aspects: investment liberalization, investment facilitation, investment promotion, investment protection, regional open-up layout, and national-level development zone innovation enhancement. Compared to the document issued in 2017, namely Notice of the State Council on Several Measures for Opening Wider to the Outside World and Making Active Use of Foreign Investment, the Notice sets out more systemically measures to attract foreign investment into China.

[Is China Ready for Intelligent Automation?](#)

Published by pwccn.com, 26th September 2018

Robotic Process Automation (RPA) is fast becoming a critical tool for organisations looking to improve services, enhance efficiency and reduce costs. RPA involves the use of software to automate repetitive rule-based tasks that require little technical know-how. More commonly used in accounting and finance processes till date, RPA has potential applications for a company's supply chain, IT, HR and even legal

functions. PwC conducted a pulse survey among senior business leaders on the adoption of RPA at the Mobile World Congress Shanghai, one of the largest mobile industry events in Asia. The questions that are likely to be top of mind when enterprises are exploring different digital labour options were asked. This report explores the key takeaways of the pulse survey and offers recommendations to guide senior business leaders through the process of restructuring their digital labour, enabling organisational change, and engaging with stakeholders to deliver better outcomes.

Looking for more news? Go to [SwissCham's Website](#).

<p>SwissCham Beijing 中国瑞士商会 - 北京 Room 611, Building 19 Xinyuanli West, Chaoyang District Beijing 100027, China 中国北京市朝阳区 新源里西 19 号 611 室 邮编: 100027 Tel / 电话: +86 10 8468 3982 Email / 邮件: info@bei.swisscham.org</p>	<p>SwissCham Shanghai 中国瑞士商会 - 上海 1133, 11F Carlton Building 21 Huanghe Road Shanghai 200001, China 上海市黄河路 21 号 鸿翔大厦 1133 室 邮编: 200001 Tel / 电话: +86 21 5368 1270 Email / 邮件: info@sha.swisscham.org</p>	<p>SwissCham Guangzhou 中国瑞士商会 - 广州 27th Floor, Grand Tower 228 Tianhe Lu, Tianhe District Guangzhou 510620, China 广州市天河区天河路 228 号 广晟大厦 27 楼 邮编: 510620 Tel / 电话: +86 760 8858 1020 Email / 邮件: info@swisscham-gz.org</p>
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