

40 Years SCCC

September 2, 2020



Dear SCCC members, dear ladies and gentlemen

Today, the Swiss Chinese Chamber of Commerce celebrates its 40th anniversary!



40 years – a short period of time within the 5000 years of Chinese history, or a long period of time if you compare China's economic situation then and today. While it is up to you, dear reader, to assess which applies better, there is no doubt that the last 40 years have made a significant impact.

In September 1980, when Uli Sigg founded the Swiss Chinese Chamber of Commerce, I was serving my military service as a young recruit. China was not yet an everyday topic for a typical Swiss citizen, as opposed to today, when every person living in Switzerland uses products or services from mainland China numerous times a day.

Let me walk you through some milestones of the past four decades to understand how we got here.

Under the leadership of Deng Xiaoping, the Chinese economy took steps to modernization. His philosophy is best summarized by his well-known saying: «It does not matter if the cat is black or white, as long as it catches mice.»

The impact of Deng's development was soon felt in Switzerland. It started with China Schindler Elevator Co., the first industrial joint venture founded in the People's Republic of China and the first joint venture between a Swiss company, Schindler, and two Chinese state-owned enterprises (private enterprises in China did not yet exist). It was a global first, and a first of many such partnerships for the Swiss government and Swiss economy. Even then, Switzerland already had a special place in the development of the Chinese economy, and it speaks to Switzerland's acumen that it could consistently maintain that role in the eyes of the Chinese decision makers. With foresight, Swiss business leaders under the guidance of Uli Sigg – then manager at Schindler and later Swiss Ambassador to China – saw the need to establish a Chamber of Commerce dedicated to mainland China.

In the first few years of the Chamber's existence, it was focused on supporting Swiss companies operating within the Chinese economy. This firstly required gathering information and sharing it with the Chamber's already sizeable membership. Secondly, it was necessary to address practical questions in how to setup and operate business in China. Of these founding members, a dozen remain active members; average membership duration of a SCCC member is typically counted in decades rather than years due to their longevity, with new members still joining every year.

In these pioneering years, it was of utmost importance to have Swiss entrepreneurs based in China sharing experience and making their network to newcomers available. Therefore, it is of great value today what these 'experienced China hands' did as a service to the Swiss economy, and that of course includes the Swiss Ambassadors and Swiss diplomats that had the vision and energy to push through initial challenges. The same applies to their Chinese counterparts in the government and economy, which have witnessed the importance of the economic relationship between the two countries. A big thank you to all of you, we value your contributions!

In the second phase of the Chamber's development, the Swiss companies in China started to get organized locally. That was done in part by founding SwissCham China, which now consists of four chapters all over China. Today, SwissCham is a legally independent organization complying with Chinese laws. These sister organizations continue to play an important role as they are natural extensions of the SCCC.

In recent years, the Swiss economic footprint has expanded beyond the bigger sized companies and attracted many SMEs to setup operations in China. As of today, we count around 1000 Swiss companies in mainland China with significant investments in the country. This is compared to almost one hundred Chinese companies with operations in Switzerland, a majority of which are privately founded companies. This illustrates the existing imbalance between Swiss investment in China and Chinese investment in Switzerland. Therefore, there is theoretically still room for more Chinese companies and investments in Switzerland.

Based on these increased economic ties, it was vital to upgrade the treaties between the two nations. All this culminated in a Free Trade Agreement (FTA) that made headlines worldwide, as it was the first wide-ranging treaty of its kind between mainland China and a developed nation. This effort saw the emergence of a new generation of leaders in government, diplomacy and economy who had the vision and perseverance to succeed. Throughout all of this stood the Chamber, with its members that provided support, insight and a neutral platform that allowed a smooth growth of the economic bridge between two vastly different countries in size, philosophy, and society.

In parallel to the FTA, a new initiative saw the light of the world: the Belt and Road Initiative of President Xi Jinping. This initiative made it clear that the role of the Chamber had to change; it was time to welcome and support Chinese companies aiming to setup operations in Switzerland.

In 2016 a new strategy was implemented, in time to welcome the first Chinese bank to Switzerland, Chinese Construction Bank (CCB). CCB was tasked to operate the RMB Hub in Switzerland, an important and vital role for the finance industry between the countries. Soon after, it was followed by the second bank of its kind, ICBC. More organizations followed soon after, and in consequence the Board of Directors of the Chamber, as well as the Advisory Committee, now have representatives of Chinese organizations.

Today the Chamber is well positioned to serve its members, with a balance of activities in Switzerland and China, providing information in digital form alongside events with networking opportunities. With its sister organizations, the SCCC organizes 'discovery' trips to provinces in mainland China that provide economic opportunities beyond those typically seen from more mainstream locations such as Beijing, Shanghai or Shenzhen.

Given the current pandemic situation in which we celebrate the anniversary, we have to evaluate which services are needed short term and by when we can offer mid-term travel-based services again. The economic fallout of the pandemic will be felt for a long time after life is back to normal, be it in supply chains or consumer behaviors.

Last but not least, I would like to express my sincere gratitude not only to Dr. Uli Sigg but also to all former Presidents, notably Dr. Erwin Schurtenberger, Dr. Marc Ronca, Dr. Joerg Wolle, and Kurt Haerri, as well as all General Managers of SCCC, notably Susan Horvath, and Beilun Wei. They all played a crucial role in building up and developing the Chamber, and they set the stepping stone into the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'F. Sutter', with a long horizontal stroke extending to the right.

Felix Sutter

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