



Weekly Briefing

Slovenia External Relations briefing:
Slovenian participation on the China International Import Expo
(CIIE)
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Slovenian participation on the China International Import Expo (CIIE)

Summary

Slovenia participated with its delegation and a number of export companies at the China International Import Expo (CIIE) that took place in the beginning of November in Shanghai. The exposition was an important strategic sign of China opening its markets and promoting trade globalization in contrast to opposite strategies of state protectionism which are coming to stage again in other economic powers. The event and its larger importance and impact were reported in the government outlets, but much less extensively in the media.

The government delegation and visit program

The visit of the Republic of Slovenia government delegation to China International Import Expo CIIE 2018 in Shanghai was joined with their attendance on the first China-Slovenia Winter Sport Development Forum 2018 (November 3rd to November 8th). The official delegation appointed by the government consisted of the head of the delegation, the Minister of Economic Development and Technology, Zdravko Počivalšek; the State Secretary of the Ministry of Economic Development and Technology, Aleš Cantarutti; the Director-General for Economic and Public Diplomacy at the Ministry of Foreign Affairs and the National Coordinator for the 16+1 Initiative, Alenka Suhadolnik, Minister Plenipotentiary of the Directorate for Economic and Public Diplomacy at the Ministry of Foreign Affairs, Boris Antolič; Head of the Sector for the Development of Sport and Sport Infrastructure of the Directorate for Sport at the Ministry of Education, Science and Sport, Darko Repenšek; and Lana Čivre from the European Affairs and International Cooperation Service at the Ministry of Economic Development and Technology. The official delegation was accompanied by the representatives of the Embassy of the Republic of Slovenia in Beijing and the consulate in Shanghai: Ambassador Janez Premože, Head of the Consulate Miloš Prislan, and Tea Pirih, Economic Advisor at the Embassy. Representatives of the Faculty of Sports of the University of Ljubljana, the Ski Association of Slovenia and the Slovenian Olympic Committee were also included in the preparation and coordination of the visit.

The visit of the delegation consisted of two main events, China International Import Expo CIIE and China-Slovenia Winter Sport Development Forum 2018, along with a series of related high-level meetings and events (November 4th reception hosted by Prime Minister and Vice-Prime Minister of the Chinese Government, the opening ceremony of the exposition on November 5th with the address of the President of PRC, three following parallel forums and

several bilateral meetings). Ministry of Economic Development and Technology Zdravko Počivalšek met with the Minister for Commerce of China, Zhong Shan, and the Vice Minister for Commerce Fu Ziyang.

The Winter sport Development forum 2018 in Beijing was the other important part of the visit, based on the Memorandum of Cooperation, signed between the Ministry of Education, Science and Sport of the Republic of Slovenia and the General Administration of Sport of China, and the General agreement for academic and scientific cooperation between the Capital University of physical education & sports in Beijing and the University of Ljubljana, Slovenia. Apart from these, the delegation also visited the seat of Slovenian Wine Association and the seat of the Ctrip online tourist company, where they presented Slovenian tourism.

Participating Companies

In relation to both events the main emphasis of the Slovenian presentation at the exposition was sports industry, including the main sport industry companies that were presented. Six top-level Slovenian companies were presented at the exposition, in the »High-end Intelligent Equipment« pavilion. The companies, mostly from the sector of winter sports industry and high tech, participated under a common slogan of »Slovenia – high tech innovative and winter sport partner«. The participating companies were Alpina, Elan, Elan Inventa, Slatnar, Elaphe in Pipistrel. Alpina is one of footwear companies with the longest tradition on the Slovenian market, going back to 1947. Today it produces high quality and technologically developed sport and leisure footwear, being especially distinguished in the production of sport boots and trekking footwear. Elan and Elan Inventa are best known for their production of top-level professional and leisure skis and snowboards, but they also produce sailboats, yachts and other sports equipment and apparel, but also excels in composite production for wind technologies. Slatnar also produces high quality skis, bindings, boots and related equipment. Elaphe propulsion technologies is a spin-off of the biggest research institute in Slovenia, Jožef Stefan Institute, and develops electro motors for the direct electrical drive of eclectic and hybrid vehicles. Pipistrel is a Slovenian light aircraft manufacturer, one of the world top producers of light aircrafts.

The Government Position on the visit

As expressed in the official documents, Slovenian participation was aimed at the strengthening of economic relations and cooperation with China. In order to do so, the existing measures to promote potential investments were to be presented, along with the information on the Slovenian business and investment environment. Two main areas of cooperation were especially stressed, namely,

tourism exchange and the winter sports industry, especially in the light of the upcoming 2022 Winter Olympics in Beijing. Additionally the government position stressed the importance of establishing a position for Slovenia within the Belt and Road Initiative. Government position emphasized that China is the most important Slovenian trade partner in Asia, with the trade of goods exhibiting a 13.7 % growth, reaching 1175.161 million euros in 2017. Export (320.281 million euros in 2017) had a growth of more than 18 %, while the import (854.880 million euros in 2017) was growing with a slightly lower rate of 12 %. More than 30 Slovenian companies, mostly in automobile, electric, chemical, pharmaceutical, footwear, textile and transport industries have their companies or representative offices in China, most of them are located in and around the wider Shanghai area.

The government position also stressed that the Slovenian participation in the 16+1 Initiative already proved to be a welcome vehicle of extending and deepening the economic relations with China, exhibiting several positive outcomes. The cooperation within the 16+1 framework was further deepened by signing the Memorandum of Agreement about the Belt And Road Initiative, where the intent to further the cooperation was expressed in the fields of transport, logistics, infrastructure, trade and promotion of investment, financial cooperation, cooperation in science and technology, culture and sport. The priorities which Slovenia finds most important in the Belt and Road initiative are coordination of policies, connectivity, uninterrupted trade, financial integration and people to people relations.

Media coverage

The event was not extensively reported in the media, with several exceptions. Apart from shorter agency news, two longer reports with commentaries were published in *Siol* e-news platform and in the main daily newspaper *Delo*. *Siol* commentary outlined the main facts about the visit and stressed the importance of the Slovenian participation at the event. They reported the Minister of Economic Development and Technology Zdravko Počivalšek official statement about the visit, where he assessed Slovenian position within the European-Chinese trade exchange, saying that Slovenian position in Europe makes it a good partner for Chinese companies. *Siol* article stressed the emphasis of the visit on sport industry and the Chinese-Slovenian cooperation in relation to the 2022 Winter Olympics in Beijing. The other coverage in *Delo* newspaper presented the topic with more substantial commentary, stressing the general agenda of the Import Exposition to also be the China's attempt to stand for the »new opening« of market in opposition to the new USA policies of national protectionism. The author interprets the exposition, together with the People's Republic of China President Xi Jinping's speech to mark the fulfillment of the President Deng Xiaoping's reform and opening up policies. The article also

stresses the orientation of the event as an answer and perhaps the beginning of a strategy to address the trade imbalances between China and its foreign trade partners. It also stressed a rather reserved participation of the G7 governments. Finally, the author expresses hope that the new import orientation of Chinese economic policies will also result in the change in the most difficult obstacles that now hinder the growth of companies that want to export to China. Most importantly, these are the rather complicated and time consuming China-specific technical regulations, standards and certificates. The author stressed that it seems that the new measures, announced by Chinese President Xi Jinping, will realize in strategic shift that will successfully invite the foreign export companies to China.

Conclusion

The participation of the Slovenian delegation in the China International Import Expo (CIIE) was promoted by the government outlets, but not reported extensively in Slovenian media. Nevertheless, the important points were communicated by both. Most importantly the stress was on the overall Chinese free trade strategy, which is seen in media as a welcome alternative to the shifting US policies and their new orientation towards protectionism measures. The media reports also welcomed the Slovenian focus in exports to and trade with China, which mostly emphasized the fields of sports industry, transport and automobile high-tech industry and tourism exchange, making an overall positive assessment of the new opportunities in the Slovenian-Chinese cooperation.