




Weekly Briefing

Serbia external relations briefing:
Serbia at Second China International Import EXPO (CIIE)
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Serbia at Second China International Import EXPO (CIIE)

Second China International Import EXPO has been held in Shanghai from November 5th until November 10th, 2019. In comparison with last year's event, this event was attended by more countries. Those who appeared second time in a row tended to present itself better in order to achieve greater success. Serbia was in a group of these countries.

Second China International Import EXPO was special being the world's first import-themed national-level exhibition. The Country Exhibition covered an area of around 30,000 square meters in which were 64 countries from five continents, the World Trade Organization, the United Nations Industrial Development Organization and the International Trade Center.

In its opening speech, President Xi Jinping highlighted motto of the EXPO “New Era, Shared Future” speaking of globalization as the unstoppable trend of history comparing it to the rivers: “Like the world’s great rivers - the Yangtze, the Nile, the Amazon and the Danube — they all surge forward in relentless flow, and nothing can stop their mighty movement, not the current of undertows or hidden shoals or rocks beneath the water.”

Shanghai CIIE proves Chinese determination to open further its market, to keep optimizing its opening-up structure, to continue to improve the business environment, to continue to deepen multilateral and bilateral cooperation and to continue to advance Belt and Road cooperation. The fact that China up-to-date has signed 197 documents on Belt and Road cooperation with 137 countries and 30 international organizations speak for itself. There is no doubt how much not only countries, but international organizations value cooperation with China.

For Republic of Serbia cooperation with People’s Republic of China (PRC) is equally important both from economic and political perspective. Presence of Serbian Prime minister, Ms. Ana Brnabić, at the Shanghai EXPO proves that. Ms. Brnabić met with President Xi the day before opening ceremony.

Chinese President said that China is willing to continue deepening political mutual trust and traditional friendship with Serbia, jointly promote the Belt and Road Initiative (BRI),

further elevate the bilateral comprehensive strategic partnership and build a closer community of shared interests.

Both China and Serbia should keep up the momentum in high-level exchanges, and firmly support each other's core interests, Xi concluded. Serbian Prime minister said that the friendship between the two countries is as solid as steel and iron, and bilateral ties are at their historical best. She added that Serbia will continue to play an active role in the joint development of the BRI, and support Chinese firms' investment in the country. In that sense, the China International Import Expo has sent a strong signal about promoting economic globalization and trade liberalization to achieve mutually beneficial and win-win outcomes. Ms. Brnabić stated that Serbia will continue its active participation in the expo, and work with China to enhance international cooperation and oppose unilateralism and protectionism.

Likewise, last year, Serbian Agency for Development and Serbian Chamber of Commerce opened a call for participation at second China International Import EXPO-CIIE in Shanghai. This year's call has been more successful than 2018, since 20 companies got a chance to participate in such important event.

The most of Serbian exhibitors were from food industry and they presented their products under the title "The Aroma of Pure Nature". Among other things, there were quality Serbian wines, dairy products, but also organic aronia products and truffles.

Serbian Minister of Trade, Tourism and Telecommunications, Mr. Rasim Ljajić, who also attended CIIE, emphasized that the Chinese market is of multiple importance for Serbia, but that several conditions must be met, first of all, to ensure quality, competitiveness and continuous placement of goods on the Chinese market.

He stressed that Serbia has significantly increased trade with China compared to last year, so it is now twice as high - \$ 214 million worth of goods were placed in the first nine months, while last year Serbia sold goods for 92 million dollars.

Mr. Ljajić added that if this trend continues, Serbia will approach for the first time figures between \$ 250 million and \$ 300 million. That achievement is directly connected with Serbian attendance of the EXPO and that is the best illustration why fairs of this type are important. Based on that, it is necessary that each businessman and/or company consider this EXPO as an opportunity to bring our products closer to the large but demanding Chinese market, minister Ljajić said.

Participation in similar fairs brings Serbia a step closer to achieving its goal - a constant increase in trade and a reduction in trade deficits, as Serbia imports far more from China than it exports. One should not doubt that Serbia has quality products that it can offer to the Chinese market. The basic problem is continuity in the delivery of goods and that is why it is necessary to provide large quantities, and therefore is a must go to specific types of quality products, which do not have competition in the global market or competition is less.

Along with such way of thinking, in Shanghai have been exhibited some of products that have the opportunity to be sold in the Chinese market with a prospective for increasing selling percent from year to year. There is same prospective for increasing the quantity of those goods and constant continuity.

As an example, Serbian Minister of Trade cited truffle products, which, he said, probably do not "pass" in Serbia, but a local company that deals with it is becoming a regional brand. Ljajić said that Serbia finally must be recognizable by one of the products. The Czechs campaigned and became known for the beer they export, Italians for wine. There were a lot of Serbian wineries in Shanghai and they were looking for a big deal, because in the last year the export of wine has reached higher figures than before, he added.

He also stated that Serbia exports beech wood to China, which is another export product, but that it would be more profitable to export the finished product in relation to raw material. "That is why we have to concentrate on a few products and rebrand the products we export, to finally be recognizable by one of them, which will then open the door for all other goods", Ljajić concluded. The estimation that about half a million buyers from all over the world will visit this year's fair, opened additional chance for Serbian businessmen.

For President of the Serbian Chamber of Commerce, Mr. Marko Čadež, among the most important assets of this fair is that is gathering people from all over the world. He also remarked that this is a proof of a shift in the Chinese economy from "made in China" to "made for China".

Since Chinese market is huge, there is great chance for each country to participate in that vast economic space. As success of Serbian attendance of the Second CIIE, Mr. Čadež announced that contract worth 60 million euros has been agreed between a large company from Shanghai and a Serbian company for purchase of meat products.

At the margins of the EXPO, the Serbian-Chinese Business Forum was organized aimed to bring together Chinese and Serbian partners to discuss about what they can offer each other and how they can cooperate.

Comparing to the 2018 EXPO where only 6 Serbian companies took a chance to participate, this year's figures are more favorable and give a reason for optimistic perspective. Considering the fact that over 230 world companies has already signed in for the Third EXPO, there will be additional opportunities for Serbian companies to make better results and become worldwide recognizable.

Conclusion

It is very common to hear that Serbs are not great in learning from history and even more common to hear that they have a short memory. Luckily, this year's Shanghai CIIE indicates opposite. Being aware that last year's chance wasn't handled as it should, this year Serbia push harder and encouraged more companies to present themselves at Shanghai Second China International Import EXPO (CIIE).