



Weekly Briefing

**Slovenia external relations briefing:
Slovenia and the 2nd China International Import Expo
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Slovenia and the 2nd China International Import Expo

Summary

In early November, Slovenian delegation participated in the second China International Import Expo in Shanghai. Confirming an important turn in Chinese economic policy, the second China International Import Expo, opened by President Xi Jinping, focused mostly on products for general consumption and high technologies. After positive experience in 2018, Slovenia again sent a delegation of high-level government officials and several companies. Compared to 2018, this time the event was reported on more extensively in media as well.

Background: 2018 participation at China International Import Expo

Slovenian participation at the first CIIE in Shanghai was twofold, consisting of the government delegation and the representatives of companies. The official delegation appointed by the government consisted of the head of the delegation, the Minister of Economic Development and Technology, Zdravko Počivalšek; and high-level representatives of the Ministry of Economic Development and Technology, Ministry of Foreign Affairs, Ministry of Education, Science and Sport. The government representatives were accompanied by representatives of the Embassy of the Republic of Slovenia in Beijing and the consulate in Shanghai. Due to the simultaneously organized first China-Slovenia Winter Sport Development Forum 2018 (November 3rd to November 8th) the preparation and organisation also included representatives of the Faculty of Sports of the University of Ljubljana, the Ski Association of Slovenia and the Slovenian Olympic Committee. The visit consisted of participation at China International Import Expo and China-Slovenia Winter Sport Development Forum 2018, while also including a number of related high-level meetings and events. In the most important of the latter, Minister 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. Six top-level Slovenian companies – Alpina, Elan, Elan Inventa, Slatnar, Elaphe and Pipistrel – participated in the exposition, in the »High-end Intelligent Equipment« pavilion. Their common slogan was »Slovenia – high tech innovative and winter sport partner«. In general guidelines for the participation, tourism exchange and the winter sports industry were

underlined as two priorities for the development of Slovenian export to China, especially in the light of the upcoming 2022 Winter Olympics in Beijing. The importance of Belt and Road and 16+1 initiatives was stressed as important frameworks for the cooperation between the two countries and an opportunity for Slovenia to position itself in the global and local framework. The participation of Slovenia at the first CIIE) was promoted by the government outlets, but not reported extensively in Slovenian media. The repeating theme in the reports was the overall Chinese free trade strategy as a welcome alternative to the US increasingly protectionist policies and the many opportunities the Slovenian export-oriented companies can have in the Chinese market.

2019 government delegation and the programme of the visit

At the background of strengthening economic relations with China, the government position was strongly emphasizing the importance of the 2nd China International Import Expo. The commercial exchange between China and Slovenia has been growing year by year and reached 1.4 billion euros in 2018, which is 12% more than 2017. China is the most important Slovenian trade partner in Asia and 15th most important trade partner of Slovenia in the world, taking the lead ahead of USA and Russian Federation. The emphasis of the government delegation's visit to China during the China International Import Expo was to present the existing conditions and measures for potential investors, to promote Slovenian exports to China and to strengthen the cooperation in tourism.

The official delegation appointed by the government consisted of the head of the delegation, the Minister of Economic Development and Technology, Zdravko Počivalšek; Secretary of State at the Ministry of Economic Development and Technology Aleš Cantarutti; Deputy Director-General for Economic and Public Diplomacy at the Ministry of Foreign Affairs Iztok Grmek; Boris Antolič of the Directorate for Economic and Public Diplomacy at the Ministry of Foreign Affairs; Head of the Minister's Office at the Ministry of Economic Development and Technology Aljaž Žumer 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 Alenka Suhadolnik, Head of the Consulate Miloš Prislán, and Tea Pirih, Economic Advisor at the Embassy.

Apart from the visit to the China International Import Expo and the accompanying reception, the delegation also engaged in several high-level meetings. Most important of these

was held by the Minister of Economic Development and Technology, Zdravko Počivalšek, with the Vice Minister of Commerce of the People's Republic of China, Wang Bingnan. Minister Počivalšek also met with the Minister for Foreign Trade and Development Cooperation of Netherlands, Sigrid Kaag; Minister of Rural Affairs of the Republic of Estonia, *Mart Järvik*; and with Alia Abbas, Alia S. Abbas, General Director of Economy and Trade, Ministry of Economy of Lebanon. The delegation also visited the Cablex company which is an example of successful entry into the Chinese market. Cablex has a factory in Xuzhou where it has also received the municipal best investor award for employment practices. It employs 350 workers, a tenth of the number of employees it has worldwide and makes 20 million euros annual revenue. At the end of the visit the delegation visited Greenland Global Commodity Trade Hub (G-HUB), which combines most of the world exporting countries and multinational companies. The permanent exhibition in the Greenland Global Commodity Trade Hub (G-HUB) also includes Slovenian companies and their products, presenting these to potential Chinese partners.

Participating companies

In the Second China International Import Expo Slovenia was presented with two pavilions. The first, a national pavilion focused on high technology developments and innovations in Slovenia. It included the presentations of eleven companies: Arctur (HPC& cloud solutions), Arhel (electronics and automatization), Instrumentation Technologies (particle acceleration technology), Istenič (wine), KF Finance (finance, real estate and asset management), Mare Santo (wine), Mikropis Holding (digital business solutions), Pipistrel (light aircrafts), Steklarna Hrastnik (glass), Unior (tools and machinery) and a startup ZkotZ. The second, “winter” pavilion focused on the high technological solutions in winter sports, especially ski-jumps, cross country skiing and alpine skiing. It presented the following companies Alpina (sports shoes), Arctur (see above), And by Andraž (clothing), Artrebel9 (visual communications), Elan (sports equipment), Sandi Murovec (ski training), Slatnar (ski jumping equipment), Sherpa (clothing) in ZkotZ (see above), while it also included the presentations of Ski Association of Slovenia and the Slovenian Olympic Committee.

The organization was mostly in the cooperation between the SPIRIT Slovenia (Public Agency for Entrepreneurship, Internationalization, Foreign Investments and Technology) and the Slovenian Consulate in Shanghai. The director of the SPIRIT agency especially stressed the

importance of the Slovenian presentation at the Shanghai Import Expo as a means of presenting Slovenia as a green and innovative destination and business partner, while, in addition, opening these themes for the 2020 World Expo in Dubai.

Media coverage

Compared to 2018, when the participation was much smaller, consisting only of 6 companies, this year 18 companies were presented in two pavilions of the China International Import Expo. The media coverage was comparatively more extensive as well. In 2018, the event and the Slovenian participation were covered mostly by government outlets, while this year all the main media outlets provided reports on the event and on the participation of both Slovenian government delegation and the presented companies. Compared to 2018 when the comments were mostly on the decision of China to shift the focus towards import as well, this year the main focus of the reports was the Slovenian participation at the event and the potential opportunities it provides for the Slovenian companies that participated. Most of the reports also mentioned the potential of this economic exchange in the light of the coming Winter Olympics in Beijing in 2022.

Conclusions

With the exchange between China and Slovenia, the participation at the Shanghai China International Import Expo also strengthened considerably between 2018 and 2019. The companies represented were mostly high technology and sport equipment, while the framework of the presentation was provided by the new strategy of the SPIRIT agency, namely, the “Green. Creative. Smart.” strategy. The coverage in Slovenian media was comparably more extensive as well with the stress on the potential opportunities this event provides for Slovenian export-oriented economy.