



## Backgrounder: Sino-Swiss bilateral relations in review

Switzerland and the People's Republic of China have maintained bilateral relations since 1950. Relations between the two countries have intensified in recent years, as evidenced by regular high-level visits between the two countries. Since 2010, China has been Switzerland's most important trading partner in Asia. The two countries also maintain dialogues in the areas of the environment and sustainable development, human rights and migration, education and science, and finance.

### History of bilateral relations

In the mid-17th century traders and missionaries from Switzerland established contact with the Chinese Empire. Trade relations developed at a rapid pace in the second half of the 19th century, leading to the opening of a Swiss trading agency in Shanghai in 1912.

The first official contacts between the two countries took place in 1906. A treaty of friendship signed in 1918 formalized relations between Switzerland and the Republic of China. Contacts with the People's Republic were not close initially owing to internal turmoil in China and the Cold War. The People's Republic made its first appearance on the international stage when Chinese Premier Zhou Enlai took part in the Indochina Conference in Geneva in 1954.

Since Deng Xiaoping launched his open-door and reform policy in 1979, bilateral relations between Switzerland and China have developed at a very rapid pace. In 2015, the two countries celebrate 65 years of bilateral relations.

### Key aspects of diplomatic relations

In 2007 Switzerland and China signed a memorandum of understanding (MoU) to intensify high-level political consultations and strengthen bilateral relations across a wide range of areas. Besides regular official contacts between Beijing and Bern, there are also partnership projects between cantons and cities. At the level of civil society, there are lively exchanges between various experts, academic institutions and artists' associations.

Switzerland and China are working together in the area of the environment and climate change, in particular in the management of environmental risks, climate adaptation strategies, the promotion of environmental technologies, and advice on climate legislation. They have institutionalized their cooperation through a series of memorandums of understanding and strengthened it through concrete projects.

### **Economic relations**

Since 2010 China has been Switzerland's most important trading partner in Asia (trade volume including Hong Kong in 2014: 45 billion US dollars) and the third-largest globally after the EU and the United States. Following negotiations launched in 2011, a bilateral free-trade agreement was signed in Beijing in July 2013. Having been approved by the National Council and the Council of States, the free trade agreement between the People's Republic of China and Switzerland came into effect on 1 July 2014.

The agreement contains provisions on trade in goods (industrial and agricultural products), non-tariff barriers (e.g. technical rules), trade in services, the protection of intellectual property, and trade and sustainable development. A parallel agreement on labour and employment-related matters was also concluded. The preamble refers to the principles, values and basic instruments of international relations and international law.



100 Swiss students were invited to China for a cultural exchange program in August, 2015.

On the occasion of the official visit of Chinese Premier Li Keqiang to Bern in May 2013, a memorandum of understanding was signed to mark the start of a bilateral dialogue on financial matters between the People's Bank of China and the State Secretariat for Financial

Matters (SIF).

### **Cooperation in the domain of education**

In view of its significant potential for scientific and technological development, China is among the non-European nations designated as a priority country for research cooperation in the Swiss government's Dispatch on the Promotion of Education, Research and Innovation in 2008-2011 and the 2010 international strategy on education, research and education.

Bilateral research programs have been established with these countries, such as the Sino-Swiss Science and Technology Cooperation program in 2008. The Federal

Council Dispatch on Education, Research and Innovation for 2013-2016 provides for the continuation of existing programs and a further increase in cooperation.

Swiss Government Excellence Scholarships awarded by the State Secretariat for Education, Research and Innovation (SERI) are another instrument to support international contacts among researchers. Twenty-five such scholarships are available to researchers from China. Chinese students comprise the largest group of non-European students in Switzerland.

Since 2008 Shanghai has been a Swissnex location for Switzerland. Swissnex is a platform that actively supports the international activities of Swiss stakeholders in the fields of education, research and innovation. In addition, the Swiss embassy in Beijing boasts a science and technology council.

### **Cultural exchanges**

Switzerland and China have significantly increased their cultural relations in recent years. For example, in 2010 the Swiss Arts Council Pro Helvetia opened a liaison office in Shanghai to promote cultural exchanges between Switzerland and China and to raise the profile of Swiss artistic productions and artists abroad.

The bilateral agreement between China and Switzerland on the illegal export and restitution of cultural property also contributes significantly to this increase in cultural exchanges. The agreement was concluded in August 2013 and entered into force in January 2014.

Numerous cultural projects are being organized in 2015 to mark the 65th anniversary of the establishment of diplomatic relations between Switzerland and China.

### **Environment, development and humanitarian aid**

The Swiss Agency for Development and Cooperation (SDC from the Federal Department for Foreign Affairs) pursues three large cooperation objectives in China and agreements have been signed with various Chinese ministries and with other subnational entities like provincial governments and municipalities. The objectives are: to cooperate with China for defining innovative strategies and technologies for addressing the global challenge of climate change; to lead a strategic dialogue with China on international development co-operation policies and strategies and to strengthen the cooperation on emergency relief, search and rescue activities.

A pioneer in tackling climate change, Switzerland has been funding and conducting a number of projects in China, including the Adapting to Climate Change in China project, a flagship bilateral collaborative project between Switzerland and China, the Groundwater Rehabilitation under a Changing Climate in North and

Northwest China and Jinsha River Basin: Integrated Water Resource and Risk Management. In May, SDC signed the Sino-Swiss Low Carbon Cities Letter of Agreement with Chengdu and will help it in tuning into a low-carbon city.



SDC will work with Ningxia authorities on investigating the impact of climate change on human health in the area.

In addition, its readiness to provide emergency relief whenever it is needed, Switzerland has also institutionalized and strengthened its cooperation with China's National Commission for Disaster Reduction. Switzerland offered its assistance in the aftermath of the earthquakes that struck the provinces of Sichuan (2008, 2013) and Qinghai (2010).