

Opportunities Taking Shape for European SME Exporters to China

TAGS

Food & Beverages, Healthcare

Exporting to China

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New reports show market growth and new openings for SMEs this year as market conditions change

New joint research by the EU SME Centre and the China-Britain Business Council reveals how small and medium-sized businesses are in prime position to win greater market share in China. The latest reports concentrate on two key markets: food and drink, and medical devices. Opportunities abound, despite growing domestic competition, as industry standards are raised and the government takes measures to address food safety and the healthcare demands of an ageing population.

“European SMEs often face challenges when searching for reliable market information in China. The EU SME Centre’s joint research with CBBC will provide help in this aspect. Our seven new publications aim to provide the most current data, expert insights and practical advice for SMEs to make informed business decisions when entering the Chinese market,” says Chris Cheung, Director of the Centre.

“Many SMEs have been quite successful in gaining new and health-savvy Chinese consumers who have an increasing demand for high-quality food and drink products. The medical device sector, in addition, is offering good opportunities to SMEs on account of an ageing population and the Government’s focus on social welfare,” he adds.

“Three quarters of CBBC’s members are SMEs and it is imperative that they grasp how real this opportunity is,” says Stephen Phillips, Chief Executive of the China-Britain Business Council. “Our latest research with the EU SME Centre shows the importance we attach to helping SMEs, and how companies exporting to China can really make their expertise count now as fast-growing markets take shape.”

China is now the world’s largest food and drink market, having surpassed the US in 2011. It is forecast to be the largest imported food market by 2018, as living standards go up and consumption patterns transform. Confidence in food quality and safety is the chief driver of growing Chinese appetites for imported produce, the EU SME Centre-CBBC research finds.

Sales of medical devices jumped 14-fold between 2001 and 2014 – from RMB 17.3 billion to RMB 255.6 billion – with a 21 per cent increase (RMB 43.6 billion) from 2013 to 2014, according to the research, and opportunities exist for exporters with the latest technology. In April 2015, foreign companies were boosted when the government announced policy support for private investment in health insurance, following an earlier agreement to allow private investment in hospitals.

Challenges inevitably remain for SMEs in China, including regulatory requirements and fostering dependable relationships with Chinese partners. Cooperating with a trusted distribution partner is among the advice given by the EU SME Centre and CBBC in the research. Interviewees cite regular contact with partners as the best way to forestall misunderstandings and be the first to learn of new opportunities in China.

In addition to regular market research, the EU SME Centre and the China-Britain Business Council provide practical, in-market business advisory services, support and networking opportunities to EU companies from offices across China, the EU and the UK, helping thousands of SMEs into their chosen market.

About the EU SME Centre

The EU SME Centre helps EU SMEs prepare to do business in China by providing them with a range of information, advice, training and support services. Established in October 2010 and funded by the European Union, the Centre has entered its second phase which will run until July 2018.

The Centre is implemented by a consortium of six partners – the China-Britain Business Council, the Benelux Chamber of Commerce, the China-Italy Chamber of Commerce, the French Chamber of Commerce in China, the EUROCHAMBRES, and the European Union Chamber of Commerce in China.

About the China-Britain Business Council / British Chamber of Commerce in China

The China-Britain Business Council and the British Chamber of Commerce in China work as a single operation. The two organisations formed a strategic partnership offering reciprocal membership in 2009, and were joined in 2014 by the British Chamber of Commerce in South-West China. Together

they operate a powerful network of 13 offices across China and 10 in the UK.

The China-Britain Business Council is the leading organisation helping UK companies grow and develop their business with China. It helps companies of all sizes and sectors, whether new entrants or established operations. CBBC has worked with China for 60 years and its team has extensive experience of doing business there. CBBC offers practical in-market assistance, services, industry initiatives and a membership programme delivering access, seminars and networking.

www.cbbsc.org

The British Chamber of Commerce in China is a membership organisation for British business focused on boosting UK-China trade and investment. It operates as an independent, not-for-profit organisation with a strong and diverse membership. With over two decades' worth of business experience in China, the Chamber provides intelligence, advice, and networking opportunities for its members, helping their business grow in one of the world's fastest-growing markets.

www.britishchamber.cn

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