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Slovakia external relations briefing: Slovakia's Participation at the 2020 China International Import Expo Juraj Ondriaš

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Slovakia's Participation at the 2020 China International Import Expo

Even though the Slovak Republic had already made its debut at the previous China International Import Expo in Shanghai in 2019, with a more ambitious presence planned for this year, the 2020 CIIE, which took place on November $5^{th}-10^{th}$ passed practically without notice in Slovakia. Just as in the previous year, the country did not have its own pavilion, and was represented by only two companies at the Expo – the decorative glassware company RONA and the producer of automatic fire suppression technology Proteng. To put this into a regional perspective with the rest of the Central and Eastern European (CEE) members of the 17+1 Platform, all other neighboring countries of Slovakia that are part of the Visegrád group (i.e. the Czech Republic, Hungary and Poland), as well as other, smaller, countries of the CEE region, such as Slovenia, Croatia or Latvia, had their own pavilion at the Expo. This underachieving situation was in spite of the predictions made at last year's Expo that in 2020, Slovakia will be represented by around 20 companies and that it will have its own pavilion.

Correspondingly with the failure to upgrade Slovakia's presence at the Expo, the coverage of the CIIE was even more lacking than last year. Unlike the previous year, when several media outlets reported at least on the start of the Expo, this year the media ignored it completely. Several reasons for this lack of media coverage could be posited. First of all, the low priority given to the Expo by the government and the failure to upgrade the country's presence at the Expo made the event less newsworthy compared to the previous year, which had the advantage that it was Slovakia's debut year. But another reason for not reporting on the 2020 Expo can be suspected – there was no attractive product being showcased that could capture people's imagination, compared to the Aeromobil flying car presented at last year's Expo. Since last year's media coverage was heavily focused on the flying car, the absence of such a star attraction among the Slovak enterprises this year could be the most probable explanation for the sharp decrease in media interest compared to 2019.

As for official government sources, coverage was also much sparser than in 2019. A major reason for this is that in contrast to the previous year, when Slovakia sent a rather large delegation to the CIIE (and other associated events) headed by then Deputy Prime Minister for Investments and Informatization Richard Raši,¹ of this year there was no such sizable Slovak

¹ <u>https://www.vicepremier.gov.sk/aktuality/podpredseda-vlady/vicepremier-rasi-odletel-na-pracovnu-navstevu-do-ciny-caka-ho-bohaty-program/index.html</u>

presence at the Expo. Correspondingly, the Ministry of Investment Regional Development and Informatization, the successor portfolio to the office held by Raši, did not have any mention of the Expo on its website.

For its part, the Ministry of Foreign Affairs devoted a single brief report about the actual event itself on its website on November 11th, therefore only after the Expo already concluded. The report limited itself to mentioning the occurrence of the Expo, the names of the two Slovak companies present and a few basic statistics (such as stating that 1 264 companies from 93 countries were present, signing contracts worth 72.62 billion US dollars, etc.).² However, the website of the ministry did mention Slovak participation at two other events linked to the Expo. One of these was presented as a success of Slovak cultural diplomacy, namely the opening of the international art exhibition "Our Home: The Belt and Road Nations Art Exhibition" at the China Art Museum in Shanghai. Two artists from Slovakia, Ondrej and Milina Zimko were among the 141 artists from 69 countries that were featured at the exhibition.³ The second event took place in a online format between 11 Slovak and 20 Chinese enterprises, which engaged in bilateral discussions on future business cooperation. This event was organized by the city administration of Ningbo, the General Consulate of the Slovak Republic in Shanghai and the Slovak Investment and Trade Development Agency (Slovenská agentúra pre rozvoj investícií a obchodu, SARIO).⁴ It can be seen as being more important than the Expo itself for the purpose of presentation of Slovak businesses and mutual networking. Added to these reports, the ministry, as well as the websites of the embassy of the Slovak Republic in China and the Slovak General Consulate in Shanghai, also published a document on the recommended trade fairs and expos taking place in Shanghai throughout the year, with the CIIE featured among them. However, the Slovak embassy had no further reports on the Expo.

Concerning the (lack of) coverage of the CIIE by other relevant ministries, the Ministry of Agriculture and Rural Development outright stated on its website devoted to the promotion of various global expos and trade fairs that the CIIE had been withdrawn from its calendar of upcoming events, "because attendance by Slovak companies was not expected".⁵ And just as

² <u>https://www.mzv.sk/aktuality/detail/-/asset_publisher/Iw1ppvnScIPx/content/najvacsia-importna-vystava-v-cine-ciie-</u>

^{2020?}p_p_auth=thOPTzrh&_101_INSTANCE_Iw1ppvnScIPx_redirect=%2Faktuality%2Fvsetky_spravy%3Fst rana%3D2

³ <u>https://www.mzv.sk/aktuality/vsetky_spravy/-/asset_publisher/Rp2fPY0svzsu/content/slovenska-umelecka-tvorba-sucastou-medzinarodnej-vystavy-umenia-v-</u>

sanghaji?p_p_auth=avVgeWQk&_101_INSTANCE_Rp2fPY0svzsu_redirect=%2Faktuality%2Fprehlad_aktuali ty

⁴ <u>https://www.mzv.sk/aktuality/vsetky_spravy/-/asset_publisher/Rp2fPY0svzsu/content/slovenske-obchodne-forum-v-sanghaji?p_p_auth=RYvw1YLI&_101_INSTANCE_Rp2fPY0svzsu_redirect=%2Faktuality</u>

⁵ <u>https://www.mpsr.sk/aktualne/kalendar-veltrhov-a-vystav-2020-dodatok/15744/</u>

the previous year, the Ministry of the Economy, responsible for foreign trade and investment, had no mention of the Expo.

The COVID-19 pandemic is given as the main reason for the lack of fulfillment of the ambitious plans of the previous government on this year's Expo attendance, as well as the absence of coverage of the event. Naturally, the need of the government to focus on the coronavirus pandemic and rescue the Slovak economy form the crisis resulting in lockdowns, stay-at-home orders, and mandated closures of non-essential businesses took away a lot of the resources and attention that may have otherwise gone into promoting the Expo and supporting a more robust Slovak presence at the event. This explanation is even more relevant on the part of the private sector, as companies had to husband their resources and in many cases were more preoccupied with survival rather than attending trade fairs and expos. Furthermore, the complicated situation with regard to international travel, as well as the condition to quarantine for 14 days by the Expo attendees, would have also been a reason to dampen any enthusiasm of Slovak entrepreneurs for attending the CIIE. Something similar can be said for the media with much of their attention focused squarely on the pandemic and then on issues of more direct concern for the country (notably the debate on the adoption of the Multiannual Financial Framework of the EU), it is small wonder that the CIIE was low on their list of priorities. But once again, another reason for the lack of enthusiasm and official coverage may be suggested, which is the change of government in Slovakia following the parliamentary elections in February of this year. The new center-right coalition has been vocal in affirming its pro-Atlanticist and pro-EU orientation, and has been markedly critical of alternative centers of power such as China or Russia, from the point of view of compliance with Western political and economic values. By contrast, the previous government had actively declared its ambition to develop economic relations with in all directions or points of the compass, especially new and emerging powers. China had been an important target in this policy, as evidenced by the strong delegation at the 2019 Expo. While there is no reason to believe the new government would be averse to the stronger development of purely economic relations with China, its political leaning might have presented it from placing as much emphasis on relations with China in general, and on the CIIE in particular, which would have resulted in the diminished official coverage and support of the Expo. That in turn could have led to a stagnation in the interest in attending the Expo on the part of the private sector and in a lack of media interest in the event.

It must be said, however, that the Expo seemed better advertized towards certain enterprises and relevant sectors of the economy than last year. Registration for the Expo was

offered on the portals of several organizations, notably the aforementioned SARIO,⁶ which is a state-funded agency subordinated to the Ministry of the Economy, as well as Slovak Chinese Joint Business Council (SCJBC),⁷ and the Slovak Chamber of Commerce and Industry (Slovenská obchodná a potravinárska komora, SOPK),⁸ The event was alos promoted on the websites of the Food Chamber of Slovakia (Potravinárska komora Sovenska, PKS), which comprises businesses in the alimentary and beverage industry,⁹ and the Automotive Industry Association of the Slovak Republic (Zväz automobilového priemyslu, ZAP).¹⁰ In the previous year, only SARIO¹¹ and the SCJBC¹² advertized the Expo among these organizations. In the case of PKS, its interest in promoting the Expo may be explained by the hopes of Slovak dairy producers of expanding their access to the Chinese food market after a dairy certification agreement was concluded between Slovakia and China. This agreement, enabling the export of Slovak dairy products to China, was signed at the summit of the 17+1 Platform in Dubrovnik, Croatia, on April 12th, 2019. Seven Slovak milk and dairy enterprises at the signing ceremony had expressed their desire to attend the 2019 CIIE.¹³ That did not happen, though evidently PKS took note of this interest by advertizing the Expo this year. Furthermore, the Minister of Agriculture and Rural Development at the time, Gabriela Matečná, stressed the importance of the Expo as the next step of advertising Slovak food products.¹⁴ On the part of ZAP, the association might have been encouraged by the presentation of the Aeromobil at the 2019 Expo, as well as the growing importance of China as a market for automobiles manufactured in Slovakia. In any case, the advertizing efforts by PKS and ZAP did not have the desired effect, since no company from the food or automotive sector attended the 2020 Expo. It does, however, signal that awareness of the Expo and the opportunities it may present to interested companies and certain sectors of the Slovak economy is growing, and that some small steps have been taken in expanding the promotion of the Expo by these more specialized organizations. This is small but visible progress that can be built on in preparation for future Expos.

⁶ <u>https://www.sario.sk/sk/registracia-cina-china-ceec-online-expo</u>

⁷ <u>http://scjbc.eu/events/779</u>

⁸ http://web.sopk.sk/view.php?cisloclanku=2020041401

⁹ http://www.potravinari.sk/page7523sk.html

¹⁰ https://www.zapsr.sk/the-3rd-china-international-import-expo-enterprise-business-exhibition/

¹¹ https://www.sario.sk/sk/projekty-podujatia/podnikatelska-misia-na-china-international-import-expo

¹² <u>http://scjbc.eu/events/751</u>

¹³ https://www.noviny.sk/slovensko/431259-slovenske-mliecne-vyrobky-by-sa-mohli-dostat-na-cinsky-trh-dodvoch-mesiacov

¹⁴ https://www.etrend.sk/ekonomika/slovenske-mlieko-sa-bude-vyvazat-do-ciny.html

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8. Slovak Chamber of Commerce and Industry:

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9. Food Chamber of Slovakia:

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