

## Press Release

### The Swiss chocolate industry 2020:

## Production of Swiss chocolate in sharp decline

**2020 saw more than ten percent less chocolate produced in Switzerland than in the previous year. Sales across the industry fell by 14.5%. The amount of imported chocolate increased over the same period. There was one factory closure in 2020 as well as a 4.8% decrease in the number of people employed in the industry.**

The volume of chocolate produced in Switzerland in 2020 fell by around 20,000 tonnes to around 180,000 tonnes. Sales in the industry fell by CHF 260 million to CHF 1.53 billion. The decline was apparent in both the domestic and the export business. Per capita consumption was lower than at any time in the past forty years.

### **Export business consistently negative**

The export business witnessed a decline across all product categories in 2020. The export volume decreased by 11.5% to 126,000 tonnes. The corresponding sales revenue fell by 13.9%. However, with a share of 70%, exports remain the most important sales channel for the Swiss chocolate industry.

### **Per capita consumption lower than at any time in the past forty years, imports higher than ever**

In the domestic market, only the semi-finished business was better in 2020 than in the previous year; this includes e.g. chocolate mass sold to confectioners. All other product categories exhibited sharp declines. The volume of Swiss chocolate sold in the domestic market fell by 6.9% and the corresponding sales by 15.1%. Swiss per capita consumption fell below 10 kg (to 9.9 kg) for the first time since 1982. This decline was at the expense of chocolate produced in Switzerland, as the import volume of foreign chocolate increased in 2020 (+ 1.8%). This equates to a rise in import share from 41% to 43%.

### **Fall in employee numbers**

A chocolate factory was closed in 2017 when production was transferred to France; another chocolate factory closed for good in 2020. Sixteen factories remain in business in Switzerland today. Across the industry as a whole, the number of employees fell by 4.8% in 2020.

### **Challenging political environment**

The start of 2021 was marked by continuing challenges. January 2021 saw export volumes decrease by 15.3% year-on-year, while imports of foreign chocolate increased by 5.4%. This trend is being driven by an asymmetry in the border protection of raw materials and processed products: as a result of the border protection, certain raw materials are twice as expensive in Switzerland as abroad. The effect of compensatory mechanisms is muted. The sugar producers' demand for the imposition of a minimum price as border protection for sugar threatens to increase the price of raw materials even further. This would further weaken the competitiveness of Switzerland as a production location. CHOCOSUISSE is therefore calling on politicians to reject this protectionist measure.

| <b>The Swiss Chocolate Industry: Facts &amp; Figures in 2020</b> |                |   |        |
|--|----------------|---|--------|
| <b>Number of companies:</b>                                      | <b>16</b>      | <b>Leading export markets in tons:</b>    |        |
| <b>Number of workers:</b>  | <b>4,395</b>   | 1. Germany                                | 24'368 |
| - of which women   | 2,097          | 2. France                                 | 13'126 |
| - of which men   | 2,298          | 3. UK                                     | 11'697 |
| <b>Sales of Swiss chocolate in tonnes:</b>                       | <b>179,974</b> | 4. Canada                                 | 11'224 |
| <b>(-10,1%)</b>  |                | 5. USA                                    | 7'168  |
| - of which domestic  | 54,295         | <b>Most important product categories:</b> |        |
| (- 6,9%)   |                | (share of sale quantities)                |        |
| - of which abroad  | 125,679        | - bars                                    | 51.2 % |
| (-11,5%)   |                | - semi manufactures (incl. powder)        | 21.1 % |
| <b>Sales in million francs:</b>                                  | <b>1,529</b>   | - chocolate confectionery                 | 17.3 % |
| <b>(-14,5%)</b>  |                | - mini formats                            | 5.3 %  |
| - of which domestic  | 727            | - other (festive articles)                | 5.1 %  |
| (- 15,1%)  |                |   |        |
| - of which export  | 802            |   |        |
| (- 13,9%)  |                |   |        |

## **CHOCOSUISSE**

*CHOCOSUISSE is the Association of Swiss Chocolate Manufacturers and unites all industrial manufacturers of Swiss chocolate and chocolate products. Besides protecting worldwide 'Switzerland' as a brand for chocolate, the association also dedicates itself to good framework conditions, demand-oriented professional training as well as sustainable value chain. As an employer organisation, CHOCOSUISSE advocates for over 43600 interesting jobs in one of the most tradition-rich Swiss industries. CHOCOSUISSE member companies process about 8 % of milk produced in Switzerland and around 30 % of sugar grown in Switzerland.*

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