

## Press Release

### Swiss chocolate 2021

#### On the road to recovery, but still below pre-crisis levels

Following the sharp fall caused by the pandemic, sales of Swiss chocolate recovered last year. After significant growth, the result for 2021, however, remained slightly below pre-crisis levels. In the space of 10 years, the market share of imported chocolate has increased by about a quarter. The minimum border protection for Swiss sugar hands producers abroad a further cost advantage. This increases the distortion of competition to the detriment of Switzerland as a production location.

The first year of the pandemic, 2020, saw sales in the sector decline by around 15%. The production volume of Swiss chocolate fell by some 10%. Much of this decline was reversed in 2021.

#### Export business largely recovered

After the export business showed sharp declines across all product categories in 2020, export volumes of Swiss chocolate rose 10.8% in 2021, with revenues rising 15.5%. As a result, export volumes and revenues in 2021 were only slightly below pre-pandemic levels.

#### Domestic sales remain lower than pre-pandemic levels

More Swiss chocolate was consumed in Switzerland in 2021 compared to the previous year. The volume sold domestically increased by 6.6%. The main contributors to this were the good second third of 2021 and strong growth in the semi-finished segment. As a result, the volume of domestic sales in 2021 was only slightly below the pre-crisis year of 2019. Domestic market revenues also increased in 2021 compared to the previous year (+7.7%), but were still significantly below the level of 2019 (-8.4%).

#### Strong rise of the import share

After the strong rise of the import share in recent years, the share of foreign chocolate in the Swiss market was around 42% in 2021. The share of the Swiss market held by importers has increased by almost a quarter within ten years (2011: 34%). Half of this trend is due to the fall in consumption of Swiss chocolate (from 8kg to 6.6kg per capita), the other half to the rise in consumption of imported chocolate (from 4kg to 4.7kg per capita).

#### Challenges for Switzerland as a producing country

After a significant drop in the number of employees in the Swiss chocolate industry in 2020, that number fell slightly again in 2021. The industry's workforce has shrunk by 5% compared to 2019. Despite pre-existing challenges for Switzerland as a production location, the political climate in 2021 served to exacerbate the situation: the Parliament bowed to pressure from the sugar producers and voted to extend the minimum border protection for sugar until 2026. Against an existing background of sharp increases in raw material prices, this will further boost the price of Swiss sugar. This alone increases production costs in Switzerland by between one and two percent of wages and hands foreign imports a further cost advantage.

<b>Key figures on the Swiss chocolate industry in 2021</b>					
<b>Number of companies</b>		<b>16</b>		<b>Leading export markets (in t)</b>	
<b>Number of workers</b>		<b>4,378</b>		1. Germany	25,689
- of which women		2,073		2. France	12,948
- of which men		2,305		3. Canada	11,791
<b>Sales of Swiss chocolate (in t)</b>				4. United Kingdom	10,535
	2021	21 vs. 20	21 vs. 19	5. USA	7,837
<b>Overall</b>	<b>197,100</b>	<b>+ 9.5%</b>	<b>- 1.6%</b>	Volume share of export business: 70.6%	
- of which domestic	57,891	+ 6.6%	- 0.7%	<b>Shares of product category volume</b>	
- of which abroad	139,209	+10.8%	- 1.9%	- bars	50.1%
<b>Turnover (in million francs)</b>				- semi manufactures (incl. powder)	22.3%
<b>Overall</b>	<b>1,709</b>	<b>+11.8%</b>	<b>- 4.2%</b>	- chocolate confectionery	17.5%
- of which domestic	783	+ 7.7%	- 8.4%	- mini formats	5.4%
- of which export	926	+ 15.5%	- 0.4%	- other (festive articles, etc.)	4.7%

## **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 4'300 jobs in one of the most tradition-rich Swiss industries. CHOCOSUISSE member companies process important amount of milk produced in Switzerland and sugar grown in Switzerland.*

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