The Swiss chocolate industry in 2016:

Chocolate nation Switzerland: Export is becoming increasingly important

In 2016, more Swiss chocolate was sold worldwide compared to the previous year. The exports shaped up well in spite of the difficult currency environment. The setbacks in the domestic business could thus be compensated. Internationally competitive framework conditions are gaining importance.

In 2016, the total quantity of Swiss chocolate sold in the domestic and international market increased by 2.3% to 185,639 tonnes. The industry turnover increased 1.0% to 1,764 million francs. Thanks to good growth rates in four of the five most important export markets (Great Britain, France, Canada and USA) and partly very strong growths in other export markets, the declines in the most important export market, i.e. Germany, and in the domestic market could be compensated.

Decline in domestic sales with increasing import share and declining per-capita consumption

The total domestic sales by Swiss manufacturers declined by 1.2% compared to the previous year. The domestic sales of semi-finished products were slightly positive (+1.2%), while the sales of finished products diminished (-1.8%). The domestic turnover decreased by 1.5% overall. The strong franc continues to keep up the import pressure and in 2016, it resulted in a 3.4% increase in the share of imported chocolates in the domestic consumption. Thus, the import share exceeded the value of 40% for the first time. The per-capita chocolate consumption in Switzerland fell 100 g to 11.0 kg.

Stabilising growth in the export business

In 2016, there was an overall positive development in the export business. The sales increased by 4.3% to 122,034 tonnes. The turnover thus achieved increased to 874 million francs (+3.7%). If we look at the individual export markets, there is a differentiated picture. While a strong decline in the double-digit percentage range was recorded in the most important export market of Germany, the second most important export market of Great Britain shaped up very positively in terms of quantity (+7%) and slightly positively in terms of turnover (+2%) despite the challenging currency environment. The sales in the remaining "top 5" export countries showed even greater growth rates: France (+8%), Canada (+8%) and USA (+19%). Among the "top 20" export countries, Israel recorded by far the largest growth. Even the markets in Italy, Spain, Austria, United Arab Emirates, Philippines, Saudi Arabia and Japan performed good to very good. On the other hand, noticeable declines in sales were recorded in Australia (-19%), China (-12%), Brazil (-14%) and Russia (-17%).

Internationally competitive framework conditions are gaining importance

The share of foreign sales in the total production increased again in 2016 and is now 65.7% (previous year: 64.5%). While the largest part of Swiss chocolates was still sold in the domestic market at the turn of the millennium, two of three chocolates manufactured in Switzerland are today being exported. Thus, there has
been a remarkable increase in the production quantity. Even suppliers are benefiting from this. The Swiss chocolate industry today processes over a quarter of the Swiss sugar and over 6% of the total milk quantity produced in Switzerland or over 11% of the (non-curdled) dairy milk produced in Switzerland. The Swiss price for milk powder and butter that is protected with agricultural duties is two to three times of the price in neighbouring countries. Today, the partial refund of the agropolitical surcharge still takes place through export contributions. These however had to be ceased till 2020 as a result of pressure by the WTO. Therefore, effective alternative measures must be implemented till then. At the same time, the agricultural border protection should not be intensified as demanded by agricultural pressure groups for the Swiss sugar.

CHOCOSUISSE is the Association of Swiss Chocolate Manufacturers and unites all industrial manufacturers of Swiss chocolate and chocolate products. Since it was founded in 1901, CHOCOSUISSE stands for Swiss chocolate. Besides protecting "Switzerland" as a brand for chocolate, the association also dedicates itself to good framework conditions, demand-oriented professional training as well as sustainability as part of the entrepreneurial activities. As an employer organisation, CHOCOSUISSE advocates for over 4,500 interesting jobs in one of the most tradition-rich Swiss industries.

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<th>The Swiss Chocolate Industry: Facts and Figures 2016</th>
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<tr>
<td><strong>Number of companies:</strong> 18</td>
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<tr>
<td><strong>Number of workers:</strong> 4'542</td>
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<td>– of which women 2'284</td>
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<td>– of which men 2'258</td>
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<td><strong>Sales in tonnes:</strong> 185'639</td>
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<td>– of which domestic 63'605</td>
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<td>– of which abroad 122'034</td>
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<td><strong>Sales in CHF (million):</strong> 1'764</td>
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<td>– of which domestic 890</td>
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<td>– of which export 874</td>
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