

Czech Republic within the Belt and Road Initiative, Brno Trade Fairs – the best platform for promoting Chinese business The 60th International Engineering Fair: New Technologies and Business Opportunities for Industry of the Digital Age

By various estimates, the Belt and Road Initiative (BRI) is one of the largest infrastructure and investment projects in history, covering more than 68 countries, equivalent to 65% of the world's population and 40% of the global GDP as of 2017. For the Czech Republic it is very important to be part of the BRI as one of the EU countries offering new opportunities to Chinese trade and investment. The Czech Republic, in the centre of Europe, is an important country belonging to 16+1 cooperation and under the radiation of the BRI.

The European Union and China are two of the biggest trading partners in the world. China is now the EU's 2nd trading partner behind the United States and the EU is China's biggest trading partner. EU-China trade has increased dramatically in recent years. China is the EU's biggest source of imports by far, and has also become one of the EU's fastest growing export markets. The EU has also become China's biggest source of imports. China and Europe now trade well over €1.5 billion a day with both economies steadily growing. The Czech economic growth ranks among the highest of all EU member countries.

The economy of European Union has showed the signs of recovery, while China also went into the stage of high quality development. The cooperation of EU-China could form a linkage effect, to further promote trade and investment liberalization and facilitation with strong determination in both areas.

For the Czech Republic China is the 3rd largest trading partner and the 2nd largest importer. In terms of Czech exports China represents worldwide the 17th largest market. The total Czech-Chinese trade exchange turnover has been gradually growing and reached € 20.2 billion in 2017. The trading balance is hugely in favour of Chinese imports to the Czech Republic, the total value of Chinese imports reached in the same period almost € 18.1 billion.

From the Chinese perspective countries of the EU, or Europe generally, represent an important investment destination, with Germany being the country of the first choice. From the estimated

overall € 25.6 billion invested by China in Europe in 2017 only a fraction, approx. € 228 million landed in the Czech Republic, thus leaving a large window of opportunity for Chinese investors in this country.

"Since the Initiative puts strong emphasis on infrastructure, transport, connectivity, trade promotion and people-to-people bonds, we see great opportunities for cooperation with China in these areas. We believe the Czech Republic is a strategic partner for the formation of the new Silk Road. A partner that has a lot to offer, for example in the area of engineering which is our traditional and most renowned industry," says the Ambassador of the Czech Republic in China, Mr. Bedřich Kopecký.

In 2016 China was for the first time ever the partner country of the leading engineering trade fair in Central and Eastern Europe, i. e. the MSV International Engineering Fair which takes place every year in Brno, Czech Republic's second largest city. A total of 150 leading Chinese companies were presented in two "Chinese" halls and at other self-standing displays. This spectacular presentation proved that China considers MSV a gateway to the Central European market and the Czech Republic, with its economic growth ranking among the highest of all EU member countries, is an ideal place to further develop its business. China presented itself already at the first edition of the MSV International Engineering Fair in 1959, when the government delegation at the opening ceremony was led by Mr. Si Zhong-Sen, father of the nowadays' Chinese President Xi Jinping.

Jiang Zengwei, Chairman of the China Council for the Promotion of International Trade (CCPIT) said at the opening of MSV 2016:

We consider the MSV International Engineering Fair in Brno a platform from which we want to promote mutual cooperation in the field of mechanical engineering and further strengthen the industrial, commercial, economic and investment cooperation and dialogue with all countries of the world.

In an interview Mr Jiří Kuliš CEO of BVV Trade Fairs Brno said:

Our cooperation with CCPIT and CCOIC Beijing as well with many provincial governments has been very fruitful. The "Made in China 2025" show is a great exhibition of Chinese technology



and also a great experience in working together. We are pleased that the government of China has selected Brno and MSV as the platform for presentation of China with the aim to beef up trade and investment in Central Europe.

In 2017 the MSV offered Chinese companies again an effective platform to display their new products and technology to expert visitors from Central and Eastern Europe, so as to promote the mutual cooperation and communication in the field of trade, economy and technology. The gates opened on October 9, 2017 and it was held concurrently with specialized campaigns focusing on transport and logistics and environmental protection. The MSV also nicknamed “the Central European industrial Hannover show”, presented the latest technology progress, in particular automation of industrial processes known as Industry 4.0 – the so-called fourth industrial revolution. The highlights will be in particular such topics as Automation, robotics, digitalization of industrial production, introduction of technologies for environmental protection and advanced solutions for transportation and logistics were among the highlights of the fair.

The MSV 2017 partner country was India which undoubtedly belongs to key economic powers. After China India became the second most important trading partner of the Czech Republic from among the BRICS countries.

MSV 2017 Flashback

The MSV International Engineering Fair is the most important industrial exhibition in Central and Eastern Europe, it is also the most important one promoted by CCPIT, CCPIT MSC, CMEC International Exhibition Co., Ltd, the Czech Embassy, Commercial Section, in Beijing and offices of Czech Trade Government Agency in recent years. In the past editions of the fair Chinese companies from Beijing, Shanghai, Tianjin, Zhejiang, Liaoning, Heilongjiang and Jiangsu, took part in it representing all major sectors of Chinese industry.

The last edition of the International Engineering Fair presented 1631 exhibiting companies from 32 countries, with the share of foreign participants reaching 49.2%. Exhibitors' showcases were seen by 81 836 visitors from 60 countries, and there was especially an increase from foreign countries, from where 8369 registered visitors came, i.e. 10.2% of the total. The fair accredited 399 journalists from six countries.



The results confirmed that MSV was headed in the right direction: 82% of the exhibitors positively evaluated the fair and 89% of visitors were satisfied. The quality structure of the visitors was also confirmed, where 79% belonged to the so-called decision makers. Many decision makers coming to MSV from overseas show a strong interest in the products of Chinese companies displayed at MSV and preliminary cooperation agreements were reached here. For Chinese companies, the MSV is a great opportunity to understand the overseas demand, to approach overseas customers and a good way to develop cooperation with foreign successful enterprises.

The success of the fair is contributed by our representatives in China.

CCPIT Machinery Sub-Council (CCPIT MSC), who has been dedicated to promoting international trade and economic & technical cooperation in the field of machinery industry since 1988, believe that MSV is the effective business platforms for Chinese companies to enter the EU market. The feedback from our organized Chinese companies are all positive, who said the MSV helped them find potential clients and make good impact on their future business in EU on the basis of BVV Trade Fairs Brno, holder of MSV who has long history, experienced network, unique skills and strong trade fair brands. Currently, many Chinese companies from different provinces has shown a great interest to the MSV 2018, and we do believe participating the MSV will be a great opportunity for Chinese companies to expand their market in EU, which you should not missed.

CMEC International Exhibition Co., Ltd. who have been organizing Chinese participations at MSV since 2008, witnessed a strong development in numbers of Chinese exhibitors, ranging from 20 in 2008 to 150 in 2016 when China was the Partner Country of the fair. The professional attitude of BVV Trade Fairs Brno together with the state-of-the-art exhibition facilities and the extensive supporting programme, including the Chinese partner country opening ceremony, business forums, B2B meetings and evening Gala Reception offer the best platform for Chinese companies to present their products to European expert audiences. This year it is predicted that more than 100 Chinese companies will exhibit “the best of China” in MSV, they are from Zhejiang, Jiangsu, Shenzhen, Sichuan, Hebei, Beijing, Tianjin, Fujian, Shandong, and so on. They will display electric motors, machine parts, hydraulic parts, bearings, lasers, machine tools, robots, etc. There are totally The MSV 2018 will once again bring together the best of European and Chinese industries.

**MSV 2018 - The 60th International Engineering Fair:
New Technologies and Business Opportunities for Industry of the Digital Age
Innovative technology solutions for production of the future**

The largest and most important Engineering fair will celebrate the jubilee in excellent form. The Czech economy is doing well, the industry is moving at full speed and the participation in MSV has been enormous in recent years. In order to satisfy all requirements on the exhibition area, the Brno Exhibition Centre needed another pavilion. More than half of the companies are coming from abroad and MSV is attracting more and more professional visitors from both the surrounding and the more distant countries. This year's trade fair should be equally busy - projections for 2018 assume continued economic growth, which will be reflected in exhibitors' presentations.

The main theme of MSV 2018 is again Industry 4.0 - Automation, Robotics, Digitization. No surprise there, since the Brno Fair has been focusing on the upcoming fourth Industrial Revolution since 2015, when the National Industry 4.0 Initiative was announced here. Over the past few years, Industry 4.0 has been increasingly moving from conference rooms to expositions that show specific labour-saving solutions and increase work productivity and added value. Even more solutions for large manufacturers but also for small and medium businesses are expected at MSV 2018.

The cross-section AUTOMATION project has also been focusing on this topic; it will be held for the eleventh time at this year's MSV. Last year, approximately 300 companies took part in it, presenting the use of industrial automation, information technology and production process management across all trade fair sectors.

More information: www.bvv.cz/en/msv



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