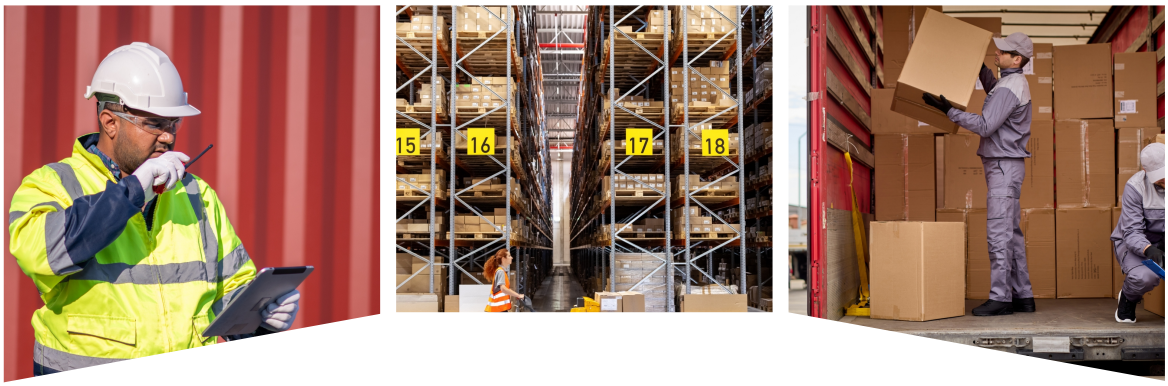

International Market Access

Free Trade Agreement with China: Modernization Strengthens Swiss Companies

30.10.2026

At a glance

- Switzerland and China have signed the modernized free trade agreement.
- In the medium term, 99.8 percent of current Swiss exports are expected to enter China duty-free.
- In addition to tariff reductions, the agreement also brings improvements in rules of origin, services, investment, digital trade, and sustainability.

At a time of escalating trade conflicts, today's signing of the modernized free trade agreement between Switzerland and China sends a strong signal in favor of open markets and reliable economic relations. This is particularly important for the Swiss economy: China is Switzerland's third-largest trading partner after the EU and the U.S. and a major market for numerous industries.

Modernization Brings Tangible Improvements

The 2014 free trade agreement is showing its age. The modernization will bring it in line with today's requirements. The focus is on significantly improved market access: In the medium term, 99.8 percent of current Swiss exports are expected to enter China duty-free. The potential savings are in the range of about a quarter of a billion francs. The pharmaceutical and chemical industries, mechanical engineering, precision instruments, watches, and select food producers will benefit in particular. At the same time, competitive disadvantages compared to countries that already have newer agreements with China will be reduced.

This modernization goes beyond the elimination of tariffs. Simpler rules of origin and trade facilitation measures reduce the administrative burden and make it easier for SMEs in particular to take advantage of the agreement. There are also improvements in the areas of services and investment: Swiss financial service providers will benefit from better terms with stronger legal safeguards, while new market access commitments for investment will increase legal certainty and predictability.

The provisions on the environment, sustainability, and labor and human rights have also been strengthened and further developed compared to the 2014 agreement.

An important signal for open markets

For Switzerland, as a small and export-oriented economy, having the best possible access to international markets is crucial. Especially in light of geopolitical tensions and growing uncertainty in trade policy, Switzerland needs broadly based economic relationships.

The modernized agreement with China makes an important contribution to this. It strengthens the competitiveness of Swiss companies and ensures better and more reliable framework conditions in a strategically important market. The signing also demonstrates that Switzerland remains committed to open markets, economic cooperation, and the diversification of its trade relations.

Rudolf Minsch

Head of General Economic Policy & International Relations, Chief Economist, Deputy Chairman of the Executive Board

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