Business Location

Liechtenstein
Highly industrialised country

- Transformation in 60 years from an economy dominated by agriculture to one of the most highly industrialised countries in the world
- Specialised in research-intensive market niches
- Home to several world leaders
- Strong industry with high quality products
- Strong manufacturing sector and well-developed services
Economic structure

- Very diverse economy
- Industry and manufacturing contribute large share of gross national added value (40 %)
- Strong focus on industry compared with neighbouring countries
- Very high density of companies: 4’482 companies in a population of 37’622 is equivalent to 1 company for every 8 inhabitants
## Companies (end of 2015)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of companies</th>
<th>Number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1-9</td>
<td>10-49</td>
</tr>
<tr>
<td>Agriculture, forestry, fishery</td>
<td>103</td>
<td>102</td>
</tr>
<tr>
<td>Industry</td>
<td>584</td>
<td>426</td>
</tr>
<tr>
<td>Services</td>
<td>3'795</td>
<td>3,413</td>
</tr>
</tbody>
</table>

Source: 2016 Statistical Annual
International relations

- Numerous international agreements and memberships
- Since conclusion of Customs Treaty (1923), Liechtenstein and Switzerland have shared a common economic area
- Liechtenstein has been a member of the European Economic Area (EEA) since 1995
Employees

- Services: 60.9% → 22’374 employees
- Industry: 38.3% → 14’096 employees
- Agriculture: 0.8% → 283 employees
- 53.5% of employees commute to Liechtenstein every day from abroad
- 70% of all employees are foreign nationals

Quelle: Liechtenstein in Figures 2016
Advantages of Liechtenstein as a business location
Advantages of Liechtenstein

- High level of political continuity and stability
- Very diverse economy
- Access to two markets (Europe and Switzerland)
- Liberal economic policy, liberal corporate law
- Stable social, legal and economic environment
- Moderate corporate taxation, simple tax system (flat tax)
More advantages

- Solid public budgetary policy
- AAA country rating
- Excellent infrastructure
- Manageable size $\rightarrow$ flexibility, fast decision-making processes
- Financially powerful public authorities
- Support and promotion of research and development activities
Important trade partners
Direct exports 2015 (not including Switzerland)

- Total volume: CHF 3.346 bn

- Export activity by continent:
  - Europe: CHF 2.029 bn (60.6 %)
  - Africa: CHF 36.5 mn (1.0 %)
  - Asia: CHF 591.8 mn (17.6 %)
  - America: CHF 663.9 mn (19.7 %)
  - Australia: CHF 24.6 mn (0.6 %)

Source: Office of Statistics
Direct imports 2015 (not including Switzerland)

- Total volume: CHF 1.980 bn
- Import activity by continent:
  - Europe: CHF 1.5 bn (78.2 %)
  - Africa: CHF 2.5 mn (0.1 %)
  - Asia: CHF 342.3 mn (17.3 %)
  - America: CHF 85.2 mn (4.3 %)
  - Australia: CHF 1.0 mn (0.1 %)

Source: Office of Statistics
Trade with Switzerland

- Export: Due to the Customs Treaty there are no official statistics about trade with Switzerland

- For the companies represented in the Liechtenstein Chamber of Commerce and Industry, Switzerland is the third largest trade partner after Germany and the United States of America

- Companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 3’200 workers in Switzerland

- 53.7 % of workers who commute to Liechtenstein come from Switzerland

- Companies with major export activity to Switzerland: Hilcona AG, Hilti Aktiengesellschaft, Hoval Aktiengesellschaft, Herbert Ospelt Anstalt and Swarovski
Trade with Austria

- Export 2016: 369 million CHF → 11.0 % of all direct exports
- Import 2016: 491 million CHF → 24.8 % of all direct imports
- The industrial companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 1’400 workers in Austria
- 42.1 % of workers who commute to Liechtenstein are from Austria
- Companies with major export activity to Austria: Hilcona AG, Hilti Aktiengesellschaft, Hoval Aktiengesellschaft, Kaiser AG and Swarovski
Trade with Germany

- Export 2016: 664 million CHF → 23.3 % of all direct exports
- Import 2016: 85 million CHF → 4.3 % of all direct imports
- The industrial companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 7’300 workers in Germany
- Companies with major export activity to Germany: Bemer Int. AG, Hilti Aktiengesellschaft, Ivoclar Vivadent AG, Swarovski and ThyssenKrupp Presta AG
Trade with the United States of America

- Export 2016: 664 million CHF → 19.8 % of all direct exports
- Import 2016: 85 million CHF → 4.3 % of all direct imports
- The industrial companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 4’700 workers in the United States of America
- Companies with major export activity to the United States of America: Bemer Int. AG, Hilti Aktiengesellschaft, Ivoclar Vivadent AG, Swarovski and ThyssenKrupp Presta AG
Trade with Great Britain

- Export 2016: 95 million CHF  \( \rightarrow \) 2.9 % of all direct exports
- Import 2016: 36 million CHF  \( \rightarrow \) 1.8 % of all direct imports
- The industrial companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 1’300 workers in seven branches in Great Britain
- Companies with major export activity to the Great Britain: Hilti Aktiengesellschaft, Hoval Aktiengesellschaft, Ivoclar Vivadent AG, Neutrik AG and Swarovski
Trade with France

Export 2016: 253 million CHF → 7.6 % of all direct exports

Import 2016: 26 million CHF → 1.3 % of all direct imports

The industrial companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 2’700 workers in eight branches in France

Companies with major export activity to France: Hilcona AG, Hilti Aktiengesellschaft, Ivoclar Vivadent AG, Swarovski and ThyssenKrupp Presta AG
Trade with China

- Export 2016: 138 million CHF → 4.1 % of all direct exports
- Import 2016: 210 million CHF → 10.6 % of all direct imports
- The industrial companies represented in the Liechtenstein Chamber of Commerce and Industry employ around 3’500 workers in 16 branches in China
- Companies with major export activity to China: Hilti Aktiengesellschaft, Ivoclar Vivadent AG, Swarovski, ThyssenKrupp Presta AG and Thyssenkrupp Presta TecCenter AG
The pioneers
Die Industriepioniere

- In 1935 Toni Hilti founded Scana Konservernfabrik AG → Hilcona AG
- In 1936 Gustav Ospelt founded Gustav Ospelt Apparatebau AG → Hoval Aktiengesellschaft
- In 1941 Prof. Martin Hilti founded Maschinenbau Hilti OHG → Hilti Aktiengesellschaft
- In 1946 Prof. Max Auwärter founded Gerätebau-Anstalt (GAB) → Oerlikon Balzers
- In 1951 Dr Adolf Schneider founded Ivoclar AG, previously Ramco AG (1933) → Ivoclar Vivadent AG
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