

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED
LIMITED B

GATT/CP/67
23 May 1950

ENGLISH
Original: FRENCH

CONTRACTING PARTIES

SWISS PARTICIPATION IN THE THIRD ROUND OF TARIFF NEGOTIATIONS

Letter from the Swiss Government dated 19 May 1950

The following letter has been received by the Executive Secretary in reply to his letter transmitting the report (GATT/CP.4/40) of the Working Party which dealt with the question of Swiss participation in the Torquay tariff negotiations.

"Thank you for your letter of 6 April 1950 and the annexures. The competent authorities have carefully examined this letter and I have been instructed to reply to you as follows:

On the Swiss side also it is deeply regretted that it was not possible to find a solution which would permit Switzerland to accept the invitation to take part in the Torquay conference on customs tariffs. As has been verbally expressed on several occasions, our country would have been greatly interested to participate in these negotiations.

We noted with interest that according to the Report of Working Party C of 31 March 1950 (GATT/CP.4/40), "All members felt, however, that in view of the unanimous wish that a way be found if possible to enable Switzerland to participate in the Torquay negotiations, the whole question should be examined again by the Working Party". It is clear from the preceding that the Working Party, in complete agreement with the Havana Conference and particularly with the Report of Sub-Committee G, is a party to the idea that Switzerland, in view of its very special situation, could not be asked to accept without reservation certain provisions of the Havana Charter and also of the General Agreement. This special situation of Switzerland was furthermore described in detail in an expose (GATT/TN.2/3/Add.1) that was transmitted to the Chairman of Working Party C at the beginning of January 1949. The members of the Working Party received this expose.

We were surprised, consequently, that the report of Working Party C, in which there is not the slightest allusion to this expose, lets it be assumed that the Swiss Government should and could, by once more examining the question, renounce its objections and accept the invitation to the Torquay Conference without having previously obtained a special status in accordance with the desire it had expressed and which had been recognized as justified. We have once more carefully examined Articles XIX, XXIII, XXIV and XXXV which you particularly mentioned. This study has again confirmed our conviction that

none of these provisions would permit us to renounce our important objections. These provisions do not overcome the decisive fact that the great majority of countries could take discriminatory measures which would have a considerable effect on Swiss exports and tourist trade or injure these in some other manner without the possibility of any effective defence on the part of Switzerland, which would be bound by the clear provisions of the Agreement. This question has already been the subject of extensive discussions; we do not think it useful therefore to enter into details. We would refer however once more to the expose of January 1949.

In these circumstances the Federal Council, to its great regret, sees at the present time no possibility of participating in the Torquay negotiations."