

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/W/125/Add.5
28 October 1970

Limited Distribution

Group on Residual Restrictions

Original: French

INFORMATION ON CERTAIN PRODUCTS SUBJECT TO QUANTITATIVE RESTRICTIONS AND SELECTED FOR PRIORITY EXAMINATION

Note by the Secretariat

Addendum

The following notification has been received from the delegation of Switzerland and should be added to Part I of COM.TD/W/125.

Information on import restrictions applied by Switzerland, in particular with respect to the products selected by the Group on Residual Restrictions, has already been furnished in the annual reports presented by the Swiss Government under paragraph 4 of the Protocol for the Accession of Switzerland (see in particular the third annual report circulated in document L/3214, dated 4 June 1969). These reports serve as the basis for a detailed triennial review carried out by a Working Party open to all contracting parties. The most recent review was on 16 and 17 June 1969 (see report of the Working Party, document L/3250, dated 18 September 1969).

A. General

All of the Swiss import restrictions for consideration by the Group on Residual Restrictions concern agricultural products.

The Swiss import régime governing agricultural products is based on Article 31 bis, paragraph 3(b) of the Swiss Federal Constitution, which empowers the Confederation to enact legislation "for the conservation of a strong agricultural population, to ensure productivity of agriculture, and to consolidate rural property". The legislation deriving from this Article of the Constitution comprises in particular the Federal Law on Agriculture of 1951, the Federal Law on Wheat of 1959 and the Federal Law on Alcohol of 1932 (as revised in 1949).

The agricultural support régime is based on the following considerations:

(a) domestic production must be able to assure national supplies in times of difficulty;

(b) to maintain a strong agricultural population and improve agricultural productivity:

(c) to improve farming conditions;

(d) to take account of the interests of other economic sectors and of the situation of the non-agricultural population.

B. Products selected by the Group on Residual Restrictions

1. Cut flowers BTN 0603.10/12

Imports of cut flowers are subject to seasonal restrictions, and are under quota from 1 May to 25 October. The quotas are fixed each month, taking into account the market situation and the terms of bilateral agreements. This import régime permits liberalized imports over the period 26 October to 30 April, during which domestic production is very small. This régime is particularly advantageous for many developing countries which have a milder climate during Switzerland's cold season.

BTN 0603 (flowers and buds, fresh, dried, etc.)

Imports in 1969		
World total	Developing countries	Percentage
Sw F 48.3 million	Sw F 8.6 million	18%

BTN 0603. 10/12 (fresh cut flowers, imported from
1 May to 25 October)

Imports in 1969		
World total	Developing countries	Percentage
Sw F 11.7 million	Sw F 0.8 million	7%

BTN 0603. 20/22 (fresh cut flowers imported from
25 October to 30 April)

Imports in 1969		
World total	Developing countries	Percentage
Sw F 35.8 million	Sw F 7.6 million	21%

2. Potatoes BTN 0701. 42

In view of the fact that domestic production is substantial and largely covers domestic market requirements, and that Switzerland is a net exporter of food potatoes, import quotas are applied. As may be seen from the figures below, some imports from developing countries can be effected before the Swiss harvest begins; in principle, the quotas cover only early potatoes.

Imports in 1969		
World total	Developing countries	Percentage
Sw F 5.5 million	Sw F 0.4 million	7%

3. Tomatoes BTN 0701. 22

Imports of practically all types of fruit and vegetables of the same kind as those produced in Switzerland, in particular tomatoes, are governed by the "three phases" system. This is briefly as follows:

First phase: There is no limit to the quantity which may be imported so long as domestic products of the same kind are not available.

Second phase: Imports are permitted according to requirements (by quota) when a domestic product of the same kind is available in the market at reasonable prices but not in sufficient quantity. Permission to import may also be subject to an obligation to take over domestic products of the same kind at fixed prices.

Third phase: In principle imports are suspended when domestic products of the same kind are offered at reasonable prices and in sufficient quantities to cover requirements.

Having regard to different harvest periods, this system is particularly beneficial to the interests of exporting countries, and at the same time permits disposal of domestic production.

Half of Switzerland's tomato imports come from developing countries:

Imports in 1969		
World total	Developing countries	Percentage
Sw F 32.3 million	Sw F 16.7 million	52%

4. Onions BTN 0701.30

"Three phase" system (see above).

Imports in 1969		
World total	Developing countries	Percentage
Sw F 6.7 million	Sw F 1.9 million	28%

5. Citrus fruit BTN 0802. 10/30

There are no import restrictions.

6. Citrus juices BTN ex 2007.06 ex 12/20

There are no import restrictions.

7. Apples and pears BTN ex 0806. 20/22

Imports are subject to the three-phase system.

By way of indication:

BTN 0806 (apples, pears and quinces):

Imports in 1969		
World total	Developing countries	Percentage
Sw F 37.8 million	Sw F 5.8 million	16%

8. Peaches

(a) Fresh fruit BTN 0807. 20/24

No restrictions on imports.

(b) Peach juice BTN 2007.42 ex 50/52

No restrictions on imports.

9. Molasses BTN 1703.01
1705.10/30

No restrictions on imports.

10. Wine BTN 2205. 10/22

There are no restrictions on imports of wine in usual bottles such as are offered in the consumer market. The situation is different in respect of wine imported in casks or in containers other than the usual bottles. In these cases, import quotas are fixed in the light of traditional currents of trade and of agreements entered into with certain supplying countries.

Wine of Fresh Grapes: BTN 2205

Imports in 1969		
World total	Developing countries	Percentage
Sw F 199.8 million	Sw F 37.3 million	19%

Wine in Casks: BTN 2205. 10/22

Imports in 1969		
World total	Developing countries	Percentage
Sw F 142.7 million	Sw F 32 million	22%

11. Ethyl alcohol BTN 2208

Although it has a monopoly of imports, the Federal Alcohol Administration does not directly import all alcohol, but only that which has a high alcoholic strength. Permits are issued without restriction for imports of brandies with an alcoholic strength of between 75 and 80 per cent. Brandies, liqueurs, etc., of a strength of less than 75 per cent can be imported without a permit.

Alcohol of a Strength of 80 Degrees or More: BTN 2208

Imports in 1969		
World total	Developing countries	Percentage
Sw F 13.7 million	Sw F 1.9 million	14%

12. Bran BTN 2302.01

Imports of bran are subject to permit, like other animal feedingstuffs. In 1969 Switzerland imported bran only from two neighbouring countries; the value of these imports did not exceed Sw F 10 million.

13. Menthol BTN 2905.01

There are no restrictions on imports.

14 and 15. Yarn, woven fabrics and garments of fibres other than cotton

Switzerland does not apply any quantitative import restrictions.