

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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IMPORT RESTRICTIONS APPLIED BY SWITZERLAND

Second Annual Report by the Government of Switzerland under Paragraph 4 of the Protocol for the Accession of Switzerland

Paragraph 4 of the Protocol for the Accession of Switzerland to the General Agreement on Tariffs and Trade provides that Switzerland shall furnish annually to the CONTRACTING PARTIES a report on the measures maintained consistently with its reservation "with regard to the application of the provisions of Article XI of the General Agreement to the extent necessary to permit it to apply import restrictions pursuant to Title 11 of the Federal Law of 3 October 1951 as well as pursuant to Article II of the Federal Decree of 28 September 1956/28 September 1962 and to the Swiss legislation concerning alcohol and wheat based on Articles 32 bis and 23 bis of the Federal Constitution".

The first report (document L/2903 of 11 November 1967) covered the period 1 January to 31 December 1966. This, the second, report covers the period 1 January to 31 December 1967.

A. Legal basis of the Swiss restrictions

The import restrictions refer exclusively to agricultural products; the legislation on which their application is based has not been amended during the period under reference. It is as follows:

1. Federal Law on the Improvement of Agriculture and Maintenance of the Peasant Population (Agriculture Act), 3 October 1951;
2. Federal Law on Alcohol, 21 June 1932/25 October 1949;
3. Federal Decree of 28 September 1956/28 September 1962 concerning Measures of Economic Protection vis-à-vis Foreign Countries;
4. Federal Law on National Wheat Supplies (Wheat Act), 20 March 1956.

B. Products at present subject to quantitative restrictions

The products subject to quantitative restrictions were listed in the first report (document L/2903 of 11 November 1967). No new products were brought under quantitative restriction during 1967. On the other hand, imports of lamb were liberalized on 1 January 1967; a take-over system ensures disposal of domestic production.

C. Application of restrictions during the period under reference

The import restrictions were applied in as liberal a spirit as possible. This made it possible in general to maintain and in certain cases to increase the high level of imports. Fluctuations in production or in domestic demand were, however, apparent in certain sectors.

The development of imports calls for the following comments on the various sectors:

1. Cereals and feeding stuffs

Imports of bread wheat in 1967 fell back to the 1965 level following an abundant domestic harvest; nevertheless, the area under cultivation declined in 1967 as compared with the preceding year. The percentage of home-grown wheat which millers were required to take was 64.8 per cent on average (1966: 56.4 per cent) of their total requirements.

Imports of grains and feeding stuffs increased slightly, and were 100 per cent above the 1960 level.

2. Livestock and meat

There was a marked decline in imports of live cattle for slaughter, reflecting the trend towards imports of special cuts of meat. The pork production cycle reversed in the period under reference, and larger production caused a decline in imports. There was, however, an increase in beef imports.

Imports of lamb and mutton were liberalized on 1 January 1967, subject to a take-over system to ensure sales of the domestic product.

3. Dairy products

Following a substantial increase in milk production it was practically no longer possible to import butter. Because of uncontrolled imports by private persons, it became necessary to fix the quantity allowed to be imported in frontier traffic at 125 grs. per day per person.

Measures were taken to restore the surplus milk production to a more normal level.

There was no change in the take-over system for whole milk and casein.

4. Fresh eggs

The slight decline in imports of fresh eggs was not due to any change in the application of the import system, but simply to better productivity in Switzerland.

5. Vegetables

Imports continued at a very high level.

6. Fruit and fruit preparations

Despite a very abundant domestic harvest, imports increased substantially.

7. Wines and grape juice

Imports of wine were maintained; the domestic harvest was abundant in 1966 and in 1967. Imports of grape juice continue to increase and were 150 per cent above the 1960 level.

8. Fresh flowers

It was possible to grant import permits for a much greater quantity than in 1966.

9. Alcohol

As a result of the very abundant harvest of pip fruit, import requirements for alcohol declined.

Bern, 30 September 1968

Annex I

TREND OF SWISS IMPORTS OF AGRICULTURAL PRODUCTS
SUBJECT TO QUANTITATIVE RESTRICTIONS

	1960	1961	1962	1963	1964	1965	1966	1967
1. <u>Cereals and feeding stuffs</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
Bread wheat	345,183	319,756	313,923	251,946	270,444	249,004	297,796	248,921
Flour (including hard wheat meal)	2,772	9,760	1,326	2,158	2,640	1,805	252	603
Fodder cereals and feeding stuffs	579,849	537,689	692,588	779,673	776,692	902,300	1,046,823	1,096,488
Grain for sowing	11,853	11,061	11,187	12,106	10,471	7,557	9,613	7,704
	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>
2. <u>Livestock and meat</u>								
Dairy cattle and livestock for breeding (principally horses)	2,637 26,233	2,644 19,099	2,661 44,904	2,875 30,394	2,772 39,507	2,299 37,108	3,367 32,794	2,571 15,538
Cattle for slaughter	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
Meat, and animal fats	16,654	20,278	35,568	33,312	41,621	38,052	40,548	47,179
Meat preparations and preserved meat	3,766	4,146	4,596	4,941	5,179	5,636	4,883	4,721

Annex I (cont'd)

	1960	1961	1962	1963	1964	1965	1966	1967
<u>3. Dairy products</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
Fresh butter	350	6,004	3,607	2,616	10,817	6,262	4,862	765
Wholemilk powder	2,108	2,099	1,880	1,980	2,151	2,113	2,522	2,181
Casein	260	364	350	428	452	520	485	196
<u>4. Fresh eggs</u>	20,716	22,194	23,687	22,507	24,466	23,598	22,384	21,220
<u>5. Vegetables</u>								
Fresh vegetables	94,956	106,280	115,755	113,403	113,878	140,854	139,555	140,627
Food potatoes	4,403	5,462	13,070	6,085	5,253	12,698	6,587	8,735
Potato products	n.a.	n.a.	152	81	46	57	28	85
Seed potatoes	20,178	25,670	24,088	10,892	4,578	7,907	11,624	9,670
Seedling onions for planting	117	148	216	236	182	165	160	140
<u>6. Fruit and fruit preparations</u>								
Apples and pears	14,483	37,352	19,439	18,562	19,222	48,942	31,549	37,955
Stone fruit (except peaches)	16,183	16,002	18,680	18,391	14,820	20,559	14,790	18,944
Fresh berries	6,911	8,443	7,530	8,029	10,775	11,306	11,614	13,002

Annex I (cont'd)

	1960	1961	1962	1963	1964	1965	1966	1967
<u>Fruit and fruit preparations (cont'd)</u>								
Apples and pears for cider and perry	0	2,974	0	0	40	11,403	8,019	167
Pectin	7	13	14	18	21	28	50	135
Apple juice and pear juice	15	1	46	24	27	58	55	67
7. <u>Wine and grape juice</u>	1,000 hl	1,000 hl	1,000 hl	1,000 hl	1,000 hl	1,000 hl	1,000 hl	1,000 hl
Wine in casks	1,137	1,074	1,178	1,318	1,342	1,441	1,429	1,443
Grape juice	16.5	15	27.8	21.6	25.5	24.6	32.1	40.4
8. <u>Fresh flowers</u>								
Fresh flowers 1 May-25 October	352	368	466	435	445	647	653	726
9. <u>Alcohol</u>	hl 100%	hl 100%	hl 100%	hl 100%	hl 100%	hl 100%	hl 100%	hl 100%
	35,415	84,622	99,639	134,267	209,274	234,924	136,573	123,105