

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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## IMPORT RESTRICTIONS APPLIED BY SWITZERLAND

### Eighth Annual Report by the Government of Switzerland under Paragraph 4 of the Protocol for the Accession of Switzerland (1973)

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 II of the Federal Law of 3 October 1951 as well as pursuant to Article 11 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 present report covers the period from 1 January 1973 to 31 December 1973.

#### A. Legal basis of the Swiss restrictions

There was no amendment during the period under consideration to the provisions relating to the import restrictions applied by Switzerland to agricultural products. These provisions are governed by the following laws:

- (1) Federal Law on the Improvement of Agriculture and the 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 1959.

B. Products subject to quantitative restrictions

During the period under consideration, the headings in the potato sector subject to quantitative restrictions were the same as before with the following exceptions:

- on 16 July 1973, potato products for human consumption falling within tariff headings 0702.10, 0702.12, 0704.10, 0704.12, 2001.10, 2001.14, 2002.30 and 2002.34 were made subject to a global quota. The reason for this extension of the existing restrictions was that a sudden rise in imports since the beginning of 1973 was threatening the efficacy of Swiss legislation on alcohol (marketing of domestic potato production); see paragraph 5 below;
- on the other hand, on 1 January 1973 preparations in which potato flour predominates covered by tariff heading 1902.10 were liberalized.

C. Types of quantitative restrictions

V There was no change either in the systems of restrictions or in the basis of their operation. Those systems were described in connexion with the first three-yearly review in 1969 (see document L/3250). They are also described in the basic document on agricultural policies prepared for Group 3(e) (MTN/3E/DOC/2/Add.22).

D. Application of restrictions during the period under consideration

There was no change in 1973 in the system of quantitative restrictions applied by Switzerland. This system did not prevent a slight increase in imports subject to quantitative restrictions, as can be seen from the tables in Annexes I and II.

The various individual sectors call for the following comments:

1. Cereals and feeding stuffs

Imports of bread wheat increased by 10 per cent compared to the previous year, due to a reduction in the area under cultivation and a below-average harvest.

Despite a record harvest of fodder cereals, imports reached the highest level ever recorded, some 20 per cent higher than in 1972. This sharp rise was due partly to an increase in requirements but partly also to purchasing policies inspired by forecasts of a rise in world prices and the feeling of insecurity generated by restrictions on exports, like those applied by certain traditional suppliers in July 1973.

2. Livestock and meat

The increase in domestic production of meat did not exceed 4 per cent. Imports of meat and livestock for slaughter were kept to approximately the same level as the previous year.

The reduction of some 200 head in total imports of dairy cattle and livestock for breeding was due to the fall in imports of horses, which dropped back to the 1971 level.

3. Dairy products

Imports of butter increased by more than 30 per cent, while imports of casein doubled. Imports of whole milk powder were kept at the same level.

Domestic butter production fell by 1.3 per cent whereas consumption remained the same.

4. Eggs in shell

Increased domestic production and a rise in the price of imports towards the end of 1973 were the principal factors in the reduction of egg imports to near the 1971 level.

5. Vegetables

Despite a sharp increase in domestic production, the volume of imports remained unchanged. Once again the area under potatoes was reduced, but a very high yield per hectare resulted in a slightly higher production than the previous year.

The figure for imports of potato products, 251 tons, includes headings 0702, 0704 and 2002 of the Swiss customs tariff which for the first time had been made subject to restrictions and accounted for 220 tons, but not heading 1902 the quantitative restrictions on which have been removed.

Imports of fried potatoes (0702 and 2002) showed an unprecedented increase; imports from January to May, for example were seventy times more than for the whole of 1972.

6. Fruit

Domestic production was excellent nearly 50 per cent higher than in 1972, so that there was a big reduction in imports of apples and pears. On the other hand, imports of fresh berries continued to increase.

7. Wines and grape juice

1973 was one of the best years for domestic wine production, at least as regards quantity: the harvest was 30 per cent greater than in 1972 and the quality is good. The only explanation of the accompanying increase in imports is increased consumption (+ 3.2 per cent) and stock accumulation.

8. Fresh flowers

Total imports of fresh flowers fell because of a substantial reduction in supplies of tulips from the Netherlands. On the other hand, imports from other sources, such as Colombia and Thailand, increased considerably.

9. Alcohol

After last year's fall, imports recovered with a 15 per cent increase in volume.

ANNEX I

Trend of Swiss Imports of Agricultural Products  
Subject to Quantitative Restrictions

	<u>1971</u>	<u>1972</u>	<u>1973</u>
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
1. <u>Cereals and feeding stuffs</u>			
(a) Bread wheat	266,368	208,243	227,499
(b) Flour (including hard wheat meal)	506	75	515
(c) Fodder cereals and feeding stuffs	1,162,622	1,149,623	1,379,025
(d) Grain for sowing	7,234	5,305	5,479
2. <u>Livestock and meat</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>
(a) Dairy cattle and livestock for breeding	2,859	2,954	2,768
(b) Cattle for slaughter	16,296	20,473	19,406
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
(c) Meat and animal fats	46,770	48,859	48,065
(d) Meat preparations and preserved meat	5,947	6,704	7,072
3. <u>Dairy products</u>			
(a) Fresh butter	18,374	11,956	15,617
(b) Whole milk powder	2,182	2,031	1,981
(c) Casein	780	404	828
4. <u>Eggs in shell</u>	22,832	24,103	22,197

	<u>1971</u>	<u>1972</u>	<u>1973</u>
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
5. <u>Vegetables</u>			
(a) Fresh vegetables	145,552	153,329	155,465
(b) Food potatoes	5,861	7,867	7,689
(c) Potato products	28	39	251
(d) Seed potatoes	1,476	1,980	1,647
(e) Seedling onions for planting	104	90	57
6. <u>Fruit and fruit preparations</u>			
(a) Apples and pears	33,860	39,489	22,423
(b) Stone fruit (except peaches)	13,954	17,955	15,312
(c) Fresh berries	11,686	13,882	16,624
(d) Apples and pears for cider and perry	-	7,654	7,147
(e) Pectin	117	123	109
(f) Apple juice and pear juice	52	45	42
7. <u>Wine and grape juice</u>	<u>1,000 hl.</u>	<u>1,000 hl.</u>	<u>1,000 hl.</u>
(a) Wine in casks	1,680	1,708	1,816
(b) Grape juice	106	114	119
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
8. <u>Fresh flowers, 1 May to 25 October</u>	978	1,271	1,032
	<u>1,000 hl.</u>	<u>1,000 hl.</u>	<u>1,000 hl.</u>
9. <u>Ethyl alcohol</u>	299	203	232

ANNEX II

Provenance of Imports of Certain Products Subject to  
Quota Restriction

1. Cut flowers imported between 1 May and 25 October

	<u>1971</u>	<u>1972</u>	<u>1973</u>
	<u>kg.</u>	<u>kg.</u>	<u>kg.</u>
Colombia	--	4,133	17,104
Federal Republic of Germany	4,611	4,956	5,310
France	45,443	47,783	21,366
Italy	360,512	495,075	486,405
Netherlands	468,088	587,852	399,648
Denmark	9,095	8,204	7,401
Portugal	1,089	1,592	--
Spain	52,854	74,876	42,909
Bulgaria	1,630	3,169	3,656
Israel	21,851	24,154	17,308
Thailand	2,318	3,835	10,721
Singapore	1,528	2,543	4,211
United States	978	2,391	3,968
Australia	2,711	3,203	2,787
Ivory Coast	891	1,145	--
Republic of South Africa	1,626	5,136	5,830
Miscellaneous	2,425	1,048	3,398
Total	978,250	1,271,095	1,032,022

2. Salami and the like

Federal Republic of Germany	80,972	82,847	72,856
France	160,463	174,830	184,658
Italy	2,826,626	3,014,205	3,145,755
Belgium-Luxembourg	--	2,463	9,857
Austria	1,220	1,601	1,200
Denmark	1,000	1,300	1,100
Spain	12,348	8,526	1,222
Hungary	61,188	58,558	58,295
Yugoslavia	--	1,105	90
Miscellaneous	3,906	287	384
Total	3,147,723	3,345,722	3,475,417

	<u>1971</u>	<u>1972</u>	<u>1973</u>
	<u>kg.</u>	<u>kg.</u>	<u>kg.</u>
3. <u>Tinned ham</u>			
Netherlands	20,089	28,708	24,200
Denmark	106,523	93,047	80,539
Belgium-Luxembourg	5,227	5,507	1,906
Czechoslovakia	-	9,554	10,246
Miscellaneous	175	587	6
Total	132,014	137,403	116,897
4. <u>Wine in casks</u>	<u>hl</u>	<u>hl</u>	<u>hl</u>
(a) <u>Red wine</u>			
France	265,416	275,146	300,667
Italy	482,812	538,407	499,605
Austria	2,588	3,311	3,136
Portugal	152,722	131,651	157,367
Spain	435,385	436,663	475,561
Greece	25,430	26,147	28,372
Turkey	10,283	10,664	5,982
Hungary	27,379	18,155	20,476
Bulgaria	6,241	-	4,094
Yugoslavia	22,396	20,938	14,942
Cyprus	12,140	10,492	15,883
Malta	4,059	10,145	13,034
Tunisia	8,748	17,304	19,743
Algeria	90,837	85,923	92,330
Morocco	12,202	6,608	12,806
Republic of South Africa	6,060	5,516	7,066
Israel	362	238	76
Egypt	-	-	1,495
Argentina	12,298	8,480	9,633
Chile	10,533	9,746	8,226
Miscellaneous	-	14	-
Total	1,587,891	1,615,550	1,690,902



	<u>1971</u>	<u>1972</u>	<u>1973</u>
	<u>hl</u>	<u>hl</u>	<u>hl</u>
(b) <u>White wine</u>			
Federal Republic of Germany	1,928	1,858	2,229
France	9,537	10,835	13,002
Italy	6,290	7,520	6,860
Austria	-	232	2,305
Spain	49,368	17,186	40,073
Hungary	-	-	2,454
Malta	3,543	24,577	24,534
Egypt	-	-	1,486
Greece	1,047	6,178	8,038
Cyprus	-	-	1,600
Miscellaneous	126	76	42
Total	71,894	68,462	102,675
5. <u>Eggs in shell</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
Federal Republic of Germany	136	7	277
France	482	1,058	1,406
Italy	22	-	-
Netherlands	-	108	153
Belgium-Luxembourg	358	245	1,321
Austria	14	-	-
United Kingdom	408	1,454	170
Ireland	51	-	-
Denmark	687	594	217
Norway	-	-	15
Sweden	685	595	426
Finland	7,500	5,841	5,724
Spain	794	2,167	1,353
Poland	5,965	6,883	5,444
Czechoslovakia	865	671	579
Hungary	2,589	1,493	1,238
Bulgaria	98	-	-
Romania	1,783	2,227	2,061
Yugoslavia	16	8	-
Republic of South Africa	-	326	852
Israel	386	425	-
Total	22,832	24,103	24,197