

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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IMPORT RESTRICTIONS APPLIED BY SWITZERLAND

Ninth Annual Report by the Government of Switzerland under Paragraph 4 of the Protocol for the Accession of Switzerland (1974)

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 1974 to 31 December 1974.

A. Legal basis of the Swiss restrictions

There was no amendment during the period under consideration to the provisions relating to the 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 year 1974 the products subject to quantitative restrictions were the same as before.

C. Types of quantitative restrictions

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 part in the basic document on agricultural policies prepared for Group 3(c) (MTN/3E/DOC/2/Add.22).

D. Application of restrictions during the period under consideration

There was no change in 1974 in the system of quantitative restrictions applied by Switzerland. Except in the "meat" sector, imports continued at the preceding year's level or even progressed slightly. The development of imports may be seen from the tables in Annexes I and II.

The various individual sectors call for the following comments:

1. Cereals and feeding stuffs

The domestic harvest of broad wheat was good, but with a further reduction in the area under cultivation that is not consistent with the objectives in regard to security of supply. Imports reached a record volume, nearly 50 per cent above the preceding year's level.

Although imports of fodder cereals did not reach the exceptional level recorded in 1973, they were nevertheless 10 per cent higher in 1974 than in 1971 and 1972.

2. Livestock and meat

Imports of dairy cattle and livestock for breeding continued at the preceding year's level.

After a continuing increase in imports of cattle for slaughter in recent years, the volume of imports declined abruptly by more than 50 per cent in 1974. There was also a 50 per cent reduction in imports of meat and animal fats, and only the volume of imports of meat preparations and preserves remained more or less steady.

In Switzerland as in all markets, the trend in consumer prices has reached a resistance level resulting in reduced demand or a shift to cheaper meat and meat products.

Domestic production increased slightly (by 5 per cent) and encountered the same disposal difficulties as in other countries. The average of indicative prices was not reached for all types of meat.

3. Dairy products

Domestic production of milk and butter increased slightly; milk consumption declined and butter consumption remained stable. Imports of butter fell off slightly to a level corresponding to that for 1972. Imports of whole milk powder remained unchanged while those of casein declined.

4. Eggs in shell

Domestic egg production fell off because of a reduction in the number of laying hens; imports increased by about 5 per cent.

5. Vegetables

Overall domestic production of vegetables declined in 1974 while imports continued at more or less the same level. There was a further reduction in the area under food potatoes but the yield per hectare was excellent. Imports fell off in 1974. On the other hand there was a further increase in imports of potato products.

6. Fruit and fruit preparations

Because of weather conditions, domestic production of apples, pears and stone fruit was rather poor. Imports in this sector therefore reached a very high level.

7. Wines and grape juice

The harvest in Switzerland was very small, with the lowest yield recorded in the past ten years and a slight reduction in the area under cultivation. After continuing increase over a number of years, there was a reduction in demand for the first time. On the other hand, imports of wines in casks and of grape juice continued at the level for 1973.

8. Fresh flowers

During the period under global quota (1 May to 25 October 1974), imports of fresh flowers were substantially above the level for 1973, reaching the record level of 1972. There was a considerable increase in the share of some developing countries in these imports.

9. Alcohol

After brief increase in the preceding year, imports declined by 11 per cent in 1974 to a level close to that of 1972.

ANNEX ITrend of Swiss Imports of Agricultural Products
Subject to Quantitative Restrictions

	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
1. <u>Cereals and feeding stuffs</u>			
(a) <u>Bread wheat</u>	206,243	227,303	331,505
(b) <u>Flour (including hard wheat meal)</u>	75	515	4,011
(c) <u>Fodder cereals and feeding stuffs</u>	1,149,623	1,388,690	1,269,879
(d) <u>Grain for sowing</u>	5,305	5,479	6,139
2. <u>Livestock and meat</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>
(a) <u>Dairy cattle and livestock for breeding</u>	2,954	2,768	2,770
(b) <u>Cattle for slaughter</u>	20,473	19,406	7,035
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
(c) <u>Meat and animal fats</u>	48,859	48,065	24,726
(d) <u>Meat preparations and preserved meat</u>	6,704	7,072	6,179
3. <u>Dairy products</u>			
(a) <u>Fresh butter</u>	11,956	15,617	12,381
(b) <u>Whole milk powder</u>	2,031	1,981	1,963
(c) <u>Casein</u>	404	828	665
4. <u>Eggs in shell</u>	24,103	22,197	23,390
5. <u>Vegetables</u>			
(a) <u>Fresh vegetables</u>	153,329	155,465	152,565
(b) <u>Food potatoes</u>	7,867	7,689	3,640
(c) <u>Potato products</u>	39	251	446
(d) <u>Seed potatoes</u>	1,980	1,647	2,008
(e) <u>Seedling onions for planting</u>	90	57	60

	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
6. <u>Fruit and fruit preparations</u>			
(a) Apples and pears	39,489	22,423	32,548
(b) Stone fruit (except peaches)	17,955	15,312	21,341
(c) Fresh berries	13,882	16,624	14,587
(d) Apples and pears for cider and perry	7,654	7,147	7,304
(e) Pectin	123	109	227
(f) Apple juice and pear juice	45	42	45
	<u>1,000 hl</u>	<u>1,000 hl</u>	<u>1,000 hl</u>
7. <u>Wine and grape juice</u>			
(a) Wine in casks	1,708	1,816	1,787
(b) Grape juice	114	119	99
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
8. <u>Fresh flowers, 1 May to 25 October</u>	1,271	1,032	1,236
	<u>1,000 hl</u>	<u>1,000 hl</u>	<u>1,000 hl</u>
9. <u>Ethyl alcohol</u>	203	232	206

ANNEX II

Provenance of Imports of Certain Products Subject to
Quota Restriction

	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>kg</u>	<u>kg</u>	<u>kg</u>
1. <u>Cut flowers imported between 1 May and 25 October</u>			
Federal Republic of Germany	4,956	5,310	7,606
France	47,783	21,366	22,345
Italy	495,075	486,405	485,063
Netherlands	587,852	399,648	535,925
Denmark	8,204	7,401	9,412
Portugal	1,592	-	1,593
Spain	74,876	42,909	55,941
Romania	-	-	2,512
Bulgaria	3,169	3,656	5,261
Israel	24,154	17,308	23,877
Thailand	3,835	10,721	24,985
Singapore	2,543	4,211	5,486
United States	2,391	3,968	1,715
Venezuela	546	907	864
Colombia	4,133	17,104	37,976
Australia	3,203	2,787	3,081
Ivory Coast	1,145	-	1,299
Republic of South Africa	5,136	5,830	9,548
Miscellaneous	502	2,491	1,543
Total:	1,271,095	1,032,022	1,236,032
2. <u>Salami and the like</u>			
Federal Republic of Germany	82,847	72,856	83,174
France	174,830	184,658	156,266
Italy	3,014,205	3,145,755	2,940,571
Belgium-Luxembourg	2,463	9,857	9,500
Austria	1,601	1,200	42
United Kingdom	19	16	1,202
Denmark	1,300	1,100	1,657
Spain	8,526	1,222	1,911
Hungary	58,553	58,295	56,177
Yugoslavia	1,105	90	-
Miscellaneous	268	368	173
Total:	3,345,722	3,475,417	3,250,673

	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>kg</u>	<u>kg</u>	<u>kg</u>
3. <u>Tinned ham</u>			
Netherlands	23,708	24,200	26,696
Denmark	93,047	80,539	83,457
Belgium-Luxembourg	5,507	1,906	2,929
Czechoslovakia	9,554	10,246	-
Miscellaneous	537	6	109
Total:	137,403	116,897	113,191
	<u>hl</u>	<u>hl</u>	<u>hl</u>
4. <u>Wine in casks</u>			
(a) Red wine			
France	275,146	300,667	316,331
Italy	538,407	499,605	490,754
Austria	3,311	3,136	2,948
Portugal	131,651	157,367	106,866
Spain	436,663	475,561	490,724
Greece	26,147	28,372	23,747
Turkey	10,664	5,982	12,390
Hungary	18,155	20,476	20,817
Bulgaria	-	4,094	2,141
Yugoslavia	20,938	14,942	21,343
Cyprus	10,492	15,883	7,153
Malta	10,145	13,034	-
Tunisia	17,304	19,743	23,312
Algeria	35,923	92,330	96,456
Morocco	6,608	12,806	14,024
Republic of South Africa	5,516	7,066	5,444
Egypt	-	1,495	5,568
Argentina	8,480	9,633	4,557
Chile	9,746	8,226	9,726
Miscellaneous	14	-	77
Total:	1,615,550	1,690,902	1,654,378
(b) White wine			
Federal Republic of Germany	1,858	2,229	1,990
France	10,335	13,002	10,853
Italy	7,520	6,860	3,480
Austria	232	2,305	1,175
Spain	17,186	40,073	36,766

	<u>1972</u>	<u>1973</u>	<u>1974</u>
	<u>hl</u>	<u>hl</u>	<u>hl</u>
Hungary	-	2,454	4,868
Malta	24,577	24,534	-
Egypt	-	1,488	625
Greece	6,178	8,088	346
Cyprus	-	1,600	-
Algeria	-	-	614
Miscellaneous	76	42	137
Total:	63,462	102,675	115,855

	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
5. <u>Eggs in shell</u>			
Federal Republic of Germany	7	277	656
France	1,058	1,428	2,407
Italy	-	-	46
Netherlands	108	153	143
Belgium-Luxembourg	245	1,328	836
United Kingdom	1,454	110	-
Denmark	594	212	33
Sweden	595	426	219
Finland	5,841	6,724	6,252
Spain	2,167	1,353	1,630
Poland	6,883	5,444	4,799
Czechoslovakia	671	579	2,825
Hungary	1,493	1,238	2,284
Romania	2,227	2,061	517
Republic of South Africa	326	852	742
Miscellaneous	433	13	-
Total:	24,103	22,197	23,390