

GENERAL AGREEMENT ON TARIFFS AND TRADE

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

SWITZERLAND

Information on import licensing procedures of Switzerland has been made available to contracting parties in documents COM.IND/W/55-COM.AG/W/72/Add.41 (Chapters 1-24 of the CCCN) and COM.IND/W/55-COM.AG/W/72/Add.17 and Add.56/Rev.1 (Chapters 25-99 of the CCCN). That description of the licensing system applied by Switzerland, presented in reply to the questionnaire annexed to document L/5106, is in principle still valid.¹ The following notification, describing the present import licensing system, reproduces the data previously communicated by Switzerland.

Chapters 1-24 of the CCCN

Outline of systems

1. With regard to products falling within CCCN Chapters 1-24 for the import of which a licence is required, Switzerland applies procedures which vary according to the nature of the goods.

In some cases (e.g. 2(a) below) licences are granted automatically, while in other cases (e.g. 2(b) below) their grant is subject to the enforcement of quantitative restrictions. There is also a system of "take-over" for the products listed in 2(c) below, under which licences are granted without quantitative restriction on condition that the importer takes over like domestic products in proportion to his imports. Lastly, the goods enumerated in 2(d) below are subject to the "three phases" system described in document COM.AG/W/9/Add.5 of 20 May 1968, under which, according to the time of year, licences are granted automatically, or subject to conditions (either quantitative restrictions or take-over provisions).

Purposes and coverage of the licensing

2. Among the more important products subject to the above procedures may be listed the following:

(a) Automatic licensing

- Poultry meat
- Preserved milk products, excluding whole milk powder
- Cheeses

¹ A further enquiry on this subject is currently being made from all Federal Administration services concerned.

- Eggs, other than in shell
- Honey
- Coffee
- Tea
- Bread grains
- Certain products of the milling industry
- Various fodders, straw
- Oilseeds and oleaginous fruit
- Vegetable oils and fats, margarine
- Sugar
- Cocoa and cocoa preparations

(b) Quantitative restrictions (quotas)

- Live animals of the bovine, porcine and equine species, and meat derived therefrom
- Meat preparations and preserves
- Fresh-cut flowers imported between 1 May and 25 October (for the rest of the year imports are unrestricted and not subject to licence)
- Fodder cereals and certain fodder products
- Wine in cask
- Grape juice

(c) "Take-over"

- Live sheep and goats and meat derived therefrom
- Poultry meat
- Whole milk powder and casein
- Eggs in shell

(d) "Three phases" system

- The system covers most fresh fruit and vegetables also produced within the country, with the exception in particular of dessert grapes and peaches, the import of which is unrestricted and not subject to licence.

3. The licensing systems apply to all countries without distinction. The only exceptions to this rule result from the criteria laid down in respect of quality and plant health and only concern potato seedlings, vine-stocks and certain host plants.

4. The purpose of the automatic licensing systems varies with the products concerned:

- to ensure the levying of price supplements on imports (e.g. skimmed milk powder, condensed milk and certain fodder products);
- to ensure the maintenance of compulsory stocks related to the preparation of a war-time economy (e.g. sugar, coffee and cocoa);
- to ensure respect of health and plant-health regulations;
- to control quality (e.g. in the case of certain host plants);
- to ensure respect of reference prices (e.g. cheeses);
- to obtain detailed statistical data concerning imports.

The "take-over" and "three phases" systems were designed to limit recourse to quantitative restrictions while allowing the disposal of domestic production. Import licences for the products mentioned in 2(b) above are designed to ensure the application of quotas.

5. The legal basis of the licensing systems operating in Switzerland varies according to the category of products. It may rest on a Federal law adopted by the Parliament, or on a decree or order of the Federal Council. The latter's decisions regarding the regulation of imports into Switzerland are made in pursuance of the legislation in force in the agricultural sector.

Procedures

6.(a) As a rule, information is published concerning the formalities for filing applications for licences. Importers are informed in writing concerning the size of quotas and their allocation etc.

(b) The size of quotas is established, according to the product concerned, on a yearly, six-monthly or quarterly basis or for a shorter period. In most cases the decision is taken after consultation with the traders concerned through committees set up for the purpose.

(c) There is no special allocation of licences to domestic producers of like goods. Unused allocations of quotas, as a rule, are not added to the quotas for a succeeding period.

(d) and (e) There is no time-limit for the submission of applications for licences after the opening of a quota. Applications are decided upon within a period of one to three days, depending upon the product concerned. In certain cases consultation with another administrative organ may involve a delay of one or two weeks.

(g) Generally speaking a single administrative organ deals with applications. In certain cases, applications are referred for an opinion to the Federal or a Cantonal Veterinary Office. The importer approaches only one administrative organ.

(h) The allocation of quotas is normally based on previous imports, although in certain cases the business turnover of the applicant is also taken into account. A reserve is sometimes held to provide for the grant of licences to new importers.

7. (a) Allowing for the time required to obtain a licence, applications must be handed in three to five days before actual importation. In exceptional cases the licence may be granted on a request by telephone. For the import of certain products, however, the approval of the Cantonal Veterinary Office may be required, and this may delay the grant of the licence for one or two weeks.

(b) Yes, as a rule.

(c) No.

(d) In most cases a single administrative organ considers applications. Nevertheless, applications relating to goods subject to veterinary control and to certain products in respect of which the legislation requires compulsory national reserves to be maintained have to be examined by a second administrative organ.

The applicant addresses himself to one administrative organ only.

8. Only the normal criteria are taken into account. The reasons for any refusal are given to the applicant, who has the right of appeal to the administrative authority or to an appeal commission.

See also paragraph 17 below.

Eligibility of importers to apply for licence

9. (a) As a general rule any individual or legal entity domiciled in Switzerland may apply for an import licence. In certain cases the applicant must be regularly and professionally engaged in trade in the product in question. In some cases also, a licence will only be granted to the holder of a basic permit. There is no published list of authorized importers.

(b) Any individual or legal entity domiciled in Switzerland is authorized to apply for an import licence.

Documentational and other requirements for application for licence

10. Only the customary information is required, but in a few cases the applicant must state the purpose for which the goods are to be imported.

11. In addition to the import licence and the documents normally required by the customs services, various certificates may be required, according to the particular product involved (certificate of origin, health or plant-health certificate, etc.). In certain cases where the importer is required to take over like domestic products he may be required to produce the corresponding invoices (and may even have to do so at the time when he applies for the import licence).

12. Except in a few cases where no fee is levied, a small charge is made upon the grant of a licence. The amount varies according to the product concerned and is designed to meet the administrative costs involved.

13. No, except in the case of sheep and goats for slaughter and meat derived therefrom, in which case a deposit is required to ensure that the importer fulfils his take-over obligations. This deposit is refunded when the importer closes down his activities.

Conditions of licensing

14. The period of validity of a licence varies from two weeks to six months, according to the product concerned. The licence is normally renewable, even more than once, and in some cases may be valid indefinitely.

15. No.

16. No.

17. In a number of cases the grant of a licence may be subject to:

- the establishment of compulsory reserves (coffee and coffee extracts or essences; certain cereals; certain products of the milling industry; certain oilseeds and oleaginous fruits; certain seeds for sowing; sugar beet for use as fodder; carobs; certain edible oils and fats; cocoa and cocoa preparations; certain residues and waste products of the food industries);
- the payment of a contribution to a fund intended for the disposal of like domestic products (live animals for slaughter, pork and beef meats and fats, dead poultry, eggs, sausages and similar products consisting of meat, offals or blood);
- the take over of like domestic products (e.g. certain live animals, certain types of meat and offals, dead poultry, whole milk powder, eggs, certain vegetables and cereals, certain products of the milling industry and certain residues and waste products of the food industries);
- payment of a price supplement on certain milk products, certain fodders and certain edible oils and fats;
- enforcement of a reference price, e.g. on certain cheeses;
- payment of a monopoly duty (up to 80 per cent on spirits).

18. No.

19. The necessary foreign exchange is automatically provided by the banking authorities.

Chapters 25 to 99 of the CCCN

Outline of systems

1. In Switzerland, certain products falling within CCCN Chapters 25 to 99 of the BTN are subject to automatic import licensing. The modalities for application of the régime vary very little from one system to another. Licences are granted immediately upon submission of the application, and without discrimination (subject to the exception mentioned under 3 below).

Narcotic drugs and full-length feature films are the only products subject to quantitative restriction. In the case of narcotic drugs, the system is based on an international agreement - the Single Convention on narcotic drugs of 30 March 1961.

Purposes and coverage of the licensing

2. The products subject to import licences are briefly as follows (for further details, see the Swiss Customs Tariff):

- Mineral oils and their distillation products
- Nuclear fuels and radioactive residues
- Certain chemical products
- Certain explosives
- Narcotic drugs
- Antibiotics
- Sera and vaccines
- Certain fertilizers
- Casein and ovalbumin
- Soap and washing preparations
- Cinematograph films
- Chestnut wood
- Certain woven fabrics of wool, animal hair, flax, ramie, cotton and jute
- Certain carpets
- Certain knitted and crocheted goods
- Certain garments and clothing accessories of woven fabric
- Feathers and down of protected birds
- Spring traps
- Certain parts of motor vehicles
- Miscellaneous military arms and equipment
- Circus horses

3. The systems described below apply without discrimination to all countries. The only exception to this rule is the price certificate system for certain textile products.

4. With the exception of the systems applicable to narcotic drugs and full-length feature films, the licensing systems in Switzerland are not intended to restrict the quantity or value of imports. They serve a variety of purposes: supervision of imports, for example of military equipment and nuclear fuels; protection of crops; verification of use; establishment of compulsory stocks, etc.

There has been no need to adopt alternative methods because the existing licensing systems have shown themselves to be the simplest possible for accomplishing the purposes mentioned above.

5. The legal basis for the licensing systems applied in Switzerland varies: in some cases it is a federal law adopted by Parliament, in others a decree or order adopted by the Federal Council. In the case of narcotic drugs, the relevant instrument is an international agreement - the Single Convention on narcotic drugs of 30 March 1961.

Procedures

6.1 Narcotic drugs

The provisions concerning submission of licensing applications are published in the Swiss legislation.

The annual quota is based on the quantities notified by the Swiss authorities within the framework of the system of evaluation of needs set up under the Single Convention on narcotic drugs.

A basic authorization - authorization to engage in trade in narcotic drugs - is required. In addition, a special permit is necessary for each import transaction; the permit is granted immediately upon request.

Applications are examined by one single administrative organ.

6.2 Full-length feature films

The provisions concerning submission of applications have been published in the Swiss legislation.

Imports of full-length feature films are determined under a system of quotas; the latter are allocated each year upon request to film distributors. They are utilized, on average, only to the extent of 80 per cent. There is no discrimination as between supplying countries.

The import permit is granted immediately upon request.

Applications are examined by one single administrative organ.

7. (a) The systems do not provide for any time-limit in this respect. Sometimes, however, it is advisable to submit a licence application three to four days before importation.

(b) Yes.

(c) No.

(d) In most cases, applications are examined by one single administrative organ.

Only the ordinary criteria are taken into account. In a few cases, additional considerations are relevant:

- cinematograph films: ensuring of public order (in the cases mentioned in Article 6 of the Federal Council order on import of cinematograph films and quota restrictions on full-length feature films, dated 28 December 1962, no action is taken on licence applications);
- textiles: observance of minimum prices (for this purpose, textile products imported from certain countries are subject to a price certification system);
- circus horses not intended for re-export: undertaking in regard to use.

See also paragraph 17 below.

8. Reasons for refusal are given and there is possibility of appeal. However, in the case of certain war materials, especially explosives, there is no possibility of appeal.

Eligibility of importers to apply for licence.

9. As a general rule, all individuals or corporate bodies domiciled in Switzerland are eligible to apply for a licence.

In certain cases, the licence is granted only to persons holding a basic authorization, issued by either the federal or cantonal authorities. Similarly, application for a licence to import a full-length feature film may be made only by distributors who have obtained an annual quota to import such films.

Documentational and other requirements for application for licence

10. Only the usual information is required. In certain cases, the applicant must indicate the use for which the goods are intended. Applications in respect of cinematograph films must be accompanied by a description of the film to be imported (see paragraph 8 in this connexion).

11. In addition to the import licence and the documents normally required by the customs authorities, a certificate (of origin, of plant health, etc.) is required according to the product concerned.

12. A modest fee is charged for issuing the licence, except in certain cases which are free of charge. The amount varies according to the product and corresponds to the cost of the administrative service rendered.

13. No, except in the following cases:

- payment of a fee to a guarantee fund; this is reimbursed upon re-export (antibiotics: Sw F 0.02 per gr./million units);

- payment of a deposit, which is refunded if the imported product is utilized for the stated purpose (certain mineral oils and their distillation products: Sw F 100 per ton or fraction thereof).

See also paragraph 17 below.

Conditions of licensing

14. Depending on the products concerned, the period of validity of a licence varies between three to twelve months; it is generally renewable, in some cases several times. In certain cases the validity is unlimited.

15. No.

16. No.

17. In a few cases, issue of a licence is conditional on:

- establishment of compulsory stocks (certain mineral oils and their distillation products, antibiotics, certain fertilizers);
- the taking over of like domestic products (casein);
- payment of a contribution to the egg price compensation fund (ovalbumin);
- a minimum import volume, per annum or per consignment (certain mineral oils and their distillation products, sera and vaccines);
- certain health requirements.

18. No.

19. Yes.

