

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

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SUBSIDIES

Notifications Pursuant to Article XVI:1

SWITZERLAND

The following communication, dated 27 April 1993, has been received from the Permanent Mission of Switzerland.

This notification updates, for the year 1991, the information in the full subsidies notification for the period 1987 to 1989 reproduced in document L/6630/Add.11 of 6 February 1991.

PART ONE: AGRICULTURE

I. MILK AND DAIRY PRODUCTS

The policy and measures described in the previous full notification have not been modified.

During financial year 1990/91 (State Accounts 1991), the expenditures charged to the dairy account of the Confederation were as follows:

<u>Accounting period</u> (1 November-31 October)	<u>Sw F thousand</u>
Disposal of butter	420,652
Disposal of cheese	604,384
Additional price reduction for domestic soft and semi-hard cheese	48,947
Other measures (including valorization of various milk products)	71,510
Contribution to cow keepers delivering no milk to the trade	194,137
Total expenditure	<u>1,339,630</u>

This expenditure was covered as follows:

	<u>Sw F thousand</u>
General resources of the Confederation	958,785
Revenue from charges and price supplements	311,016
Share of losses payable by producers	69,829
Total receipts	<u>1,339,630</u>

II. BREEDING AND DAIRY CATTLE

The policy and measures described in the previous full notification have not been modified.

<u>Total amount of subsidy</u>	<u>Sw F thousand</u>
Promotion of sales within the country:	
- subsidies to relieve market pressure	2,708
- subsidies for culling	52,855
Maintenance of exports	36,954
Contribution to expenses of cattle keepers in mountain areas and the sub-alpine hill zone	<u>267,500</u>
Total expenditure	<u>360,017</u>

<u>Amount per unit</u>	<u>Sw F per head</u>
Promotion of sales within the country:	
- subsidies for culling	400
Maintenance of exports	2,335
Contribution to expenses of cattle keepers in mountain areas and the sub-alpine hill zone	
- sub-alpine hill zone	210
- mountain zone I	360
- mountain zone II	580
- mountain zone III	800
- mountain zone IV	1,040

III. HORSES

The policy and measures described in the previous full notification have not been modified.

Total amount of subsidy

Sw F 3,367

Amount per unit

The contributions per unit cannot be determined.

IV. WOOL

The policy and measures described in the previous full notification have not been modified.

Total amount of the subsidy

Sw F 1,800,000 for 650 tonnes of wool.

Amount per unit

Sw F 2.77 per kilo, on average.

V. EGGS

The policy and measures described in the previous full notification have not been modified.

Total amount of subsidy

Sw F 15,041,000

Amount per unit

7.34 centimes per egg taken over.

VI. BREAD GRAINS

The subsidies paid by the Wheat Administration were as follows:

	<u>Sw F thousand</u>
Price reduction	10,095
Disposal of lower quality domestic grains	26,195

	<u>Sw F thousand</u>
Acreage subsidies	21,500
Other subsidies	1,450
Total subsidies	<u>59,240</u>

<u>Amount per unit</u>	<u>Sw F per 100 kg.</u>
Price reduction	2.67
Disposal of lower quality domestic grains	36.56

<u>Acreage subsidies</u>	<u>Sw F per hectare</u>
Sloping land outside the mountain region	720
- Extended intermediate zone	225
- Intermediate zone	500
- Sub-alpine hill zone	720
- Mountain region, zone I	950
- Mountain region, zones II-IV	1,150

VII. FEED GRAINS

Total amount of crop bonuses

Sw F 128,700,000

Basic acreage bonuses

The basic bonuses are as follows (Sw F/hectare):

	<u>Barley, oats and triticale</u>	<u>Maize</u>
Up to 1 hectare	1,500	1,000
From 1 to 10 hectares	1,200	500
More than 10 hectares	950	-

The basic bonuses for field beans and high-protein peas: Sw F 1,800 per hectare. The supplementary bonuses for regions where farming conditions are difficult have not been modified, and are as follows:

- Sloping land	Sw F 800
- Extended intermediate zone ¹	Sw F 250
- Intermediate zone ¹	Sw F 550
- Sub-alpine hill zone	Sw F 800
- Mountain region, zone I	Sw F 1,050
- Mountain region, zones II-IV	Sw F 1,250

VIII. COLZA

The policy and measures described in the previous full notification have not been modified.

Total amount of the subsidy

Sw F 49,100,000

Amount per unit

Sw F 971 per tonne

IX. SOYA

The policy and measures described in the previous full notification have not been modified.

Total amount of the subsidy

Sw F 3,800,000

Amount per unit

Sw F 1,048 per tonne

X. SUGAR BEET

The policy and measures described in the previous full notification have not been modified.

Total amount of the subsidy

Sw F 20,500

Amount per unit (per kilo of refined domestic sugar)

16 centimes

¹ Except sloping land

XI. POTATOES

The policy and measures described in the previous full notification have not been modified.

<u>Total amount of the subsidy</u> (Accounting period: 1.7.90-30.6.91)	<u>Sw F thousand</u>
Promotion of utilization of potatoes	40,634
of which:	
- subsidies for utilization of potato surpluses	34,905
Contributions to cultivation of potatoes in mountain areas or steeply sloping ground	4,027
<u>Amount per unit (1990/91)</u>	<u>Sw F per tonne</u>
Utilization of surpluses	240.91
<u>Subsidies to area in 1991</u>	<u>Sw F per hectare</u>
Mountain areas	2,200
Sloping land outside mountain areas	1,600

XII. FRUIT

The policy and measures described in the previous full notification have not been modified.

<u>Total amount of the subsidy</u> (Accounting period: 1.7.90-30.6.91)	<u>Sw F thousand</u>
Promotion of utilization of fruit	30,093
of which:	
- Utilization of concentrated fruits	20,340
- Transformation of fruit growing	1,073
Disposal of apricots	259

Amount per unit

Subsidies per unit cannot be given as they vary too much according to conditions and the state of the market.

XIII. WINE, GRAPE JUICE, DESSERT GRAPES

The policy and measures described in the previous full notification have not been modified.

<u>Amount of the subsidy</u>	<u>Sw F thousand</u>
Vineyard renewal	2,236
Verification of grape harvest	1,003
Use of grapes (including industrial use)	3,033
Total expenditure	5,272

Amount per unit

The contributions per unit of area for vineyard renewal have not been modified. For the verification of the grape harvest, a unit breakdown is impossible. The non-alcoholic utilization of part of the harvest was confined to dessert grapes, and may amount to up to Sw F 2.40 per kilo.

XIV. PROCESSED AGRICULTURAL PRODUCTS

The policy and measures described in the previous full notification have not been modified.

Amount of the subsidy

For 1991, the amount per category of the contributions on exports paid for agricultural raw materials was as follows:

	<u>Sw F thousands</u>
Dairy products	78,017
Cereal products	12,718
Preserved eggs	1,364
Sugar and molasses	11,003
	103,102

PART TWO: INDUSTRY

I. FINANCIAL ASSISTANCE TO AREAS WHOSE ECONOMY IS THREATENED

<u>Amount of the subsidy</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
	(Sw F million)				
Total amount of credits guaranteed	38.7	39.9	32.0	34.8	33.9
Effective provision to cover losses	1.5	3.7	3.3	2.5	3.8
Contribution to loan service	2.3	2.2	2.4	3.3	4.1
Subsidies for information services	0.3	0.4	0.4	0.4	0.5
Number of cases	48	44	29	29	25

Guarantees and loan service contributions in mountain regions (Federal Law encouraging credit guarantees and on loan service contributions in mountain regions of 25 June 1976)

Guarantees

	<u>Number of cases</u>	<u>Amount of guarantees</u>	<u>Losses on guarantees</u>
		(Sw F million)	
1987	58	21.2	1.2
1988	55	21.0	1.7
1989	54	18.2	1.1
1990	51	20.6	0.4
1991	59	19.6	0.5
1992	55	19.6	4.0

Loan service contributions

	<u>Number of cases</u>	<u>Loan service contribution</u> (Sw F million)
1987	43	0.5
1988	47	0.8
1989	50	0.9
1990	46	0.9
1991	37	1.1
1992	40	1.3

II. PROMOTION PROGRAMMES AND ENCOURAGEMENT OF APPLIED RESEARCH

Amount of subsidy

The amount of the subsidies granted is (Sw F million):

<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
26.7	34.4	32.8	57.4	71.3

III. CONTRIBUTION TO THE SWISS OFFICE FOR DEVELOPMENT OF TRADE (OSEC)

Amount of the subsidy (Sw F million):

<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
7	7	7	10	10

IV. ENCOURAGEMENT OF SWISS FILM PRODUCTION

Amount of the subsidy (Sw F million):

<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
8.5	9.5	10	10	10.3