

GENERAL AGREEMENT ON
TARIFFS AND TRADE

Multilateral Trade Negotiations

Original: French

Group "Non-Tariff Measures"

Sub-Group "Quantitative Restrictions"

QUANTITATIVE RESTRICTIONS

SWITZERLAND

Revision

1. At its meeting of October/November 1975, the Sub-Group "Quantitative Restrictions" agreed that delegations should endeavour to send to the secretariat summary notes with respect to the consultations in which they had participated as exporting or importing countries. The Sub-Group also agreed that the secretariat would assemble and distribute these summaries for the further work of the Sub-Group (MTN/NTM/9, paragraph 9).
2. At the July 1976 meeting of the Sub-Group it was agreed that the consultation process should be continued and that delegations which had not yet submitted summary notes should endeavour to do so with a view to facilitating an analysis of the existing situation (MTN/NTM/20, paragraph 4).
3. The following communication has been received from the delegation of Switzerland concerning consultations held with Turkey (Annex I), New Zealand (Annex II), Japan (Annex III), Canada (Annex IV) and Spain (Annex V).
4. Delegations which have not yet submitted summary notes are invited to do so without delay.

ANNEX I

Summary Note on Consultations between Switzerland
and Turkey

In accordance with the decision made by the Sub-Group "Quantitative Restrictions" at its meeting in April 1975, Turkey and Switzerland held consultations on 25 June 1976 concerning the quantitative restrictions mentioned in the notifications exchanged between them.

The Swiss representative stated that, for reasons of convenience and in order not to delay the fact-finding, he was disposed to discuss simultaneously import measures in respect of industrial and agricultural products, but without prejudice to his country's position regarding the competence of the Sub-Group "Quantitative Restrictions" and the context in which any solutions concerning agricultural trade were to be negotiated.

He then explained in detail the import measures that Turkey had notified, which in most cases concerned agricultural products. This explanation enabled the Turkish representative to withdraw an appreciable number of the cases notified. For certain items, additional information was found necessary in order to determine Turkey's specific export interests. In addition, the Swiss delegate described the economic and social considerations underlying his country's import régime for agricultural products, and its legal justification both at national level and within the framework of GATT.

The Turkish representative drew the attention of the Swiss delegation to the agreement concluded by his country with the European Communities. This agreement implies a progressive reduction in Turkish customs duties vis-à-vis third countries. The resulting advantages should, in his opinion, be reflected in adequate counterpart benefits.

As regards the restrictive measures notified by Switzerland against Turkey, the Turkish representative stated that his authorities had not yet given him all the necessary explanations.

As soon as he received them, he would contact the Swiss delegation. He was prepared, nevertheless, on a preliminary basis, to give certain clarifications concerning the measures notified by Switzerland and drew attention to the foreign exchange and balance-of-payments problems facing his Government.

The Swiss representative underlined the usefulness of this exchange of information, because in his view the transparency of import régimes is the very basis for any co-operation with a view to expansion of international trade.

ANNEX II

Summary Note on Consultations between Switzerland
and New Zealand

In accordance with the decision made by the Sub-Group "Quantitative Restrictions" at its meeting in April 1975, New Zealand and Switzerland held consultations on 25 June 1976 concerning the quantitative restrictions mentioned in the notifications exchanged between them.

The Swiss representative stated that for reasons of convenience and in order not to delay the fact-finding, he was disposed to discuss simultaneously import measures in respect of industrial and agricultural products, but without prejudice to his country's position regarding the competence of the Sub-Group "Quantitative Restrictions" and the context in which any solutions concerning agricultural trade were to be negotiated.

After having explained the nature and implementing modalities of the import measures notified by New Zealand, and underlined their flexible and liberal character, he described the economic and social considerations underlying Switzerland's import régime for agricultural products and its legal justification both at national level and within the framework of GATT.

The representative of New Zealand stated that his country would appreciate any effort by Switzerland to relax the implementing modalities of certain measures, in particular as regards extension of the period between announcement of a new phase and its actual beginning in the three-phase system. In addition, he gave some explanations concerning the measures notified by Switzerland and the economic and social considerations underlying them. In particular, he drew the attention of the Swiss delegation to the deterioration of the balance of payments and referred to the examination that had been carried out by the Working Party on the New Zealand Import Deposit Scheme.

Without questioning the balance-of-payments difficulties, the Swiss representative expressed his concern over certain characteristics of the measures adopted in that context. In particular, he expressed surprise that certain items which are in any case under import quota and are of particular interest to Switzerland are in addition subject to an import deposit.

ANNEX III

Summary Note on Consultations between Switzerland and Japan

In accordance with the decision made by the Sub-Group "Quantitative Restrictions" at its meeting in April 1976, Japan and Switzerland held consultations on 21 July 1976 concerning the quantitative restrictions notified by Switzerland. Japan has not submitted any notification to Switzerland.

The Japanese representative stated that he was not in a position, for the time being, to enter into consultations on the quantitative restrictions on agricultural products notified by Switzerland. Without prejudice to the respective positions of their delegations, both countries agreed that, for the present, consultations should be confined to industrial products. The Japanese representative then explained the economic and social considerations underlying his country's import régime for footwear.

The Swiss representative took note of their social implications for Japan on the domestic plane but expressed his concern at the Japanese measures. Switzerland's footwear industry, which was also a sensitive branch, was passing through a period of grave economic difficulty, aggravated particularly by the excessively high value of the Swiss franc. He hopes that gradually a more liberal import régime for footwear might be introduced.

ANNEX IV

Summary Note on Consultations Between Switzerland and Canada

In accordance with the decision made by Sub-Group "Quantitative Restrictions" at its meeting in April 1976, Canada and Switzerland held consultations on 22 July 1976 concerning the quantitative restrictions mentioned in the notifications exchanged between them.

The Swiss representative stated that, for reasons of convenience and in order not to delay the fact finding, he was prepared to discuss simultaneously import measures in respect of industrial and agricultural products, but without prejudice to his country's position regarding the competence of the Sub-Group "Quantitative Restrictions" and the context in which any solutions concerning agricultural trade were to be negotiated.

After explaining the nature and implementing modalities of the import measures notified by Canada and underlining their flexibility and liberal character, he described the economic and social considerations underlying Switzerland's import régime for agricultural products and its legal justification, both at national level and within the framework of GATT.

The representative of Canada stated that his country would appreciate any effort by Switzerland to relax the implementing modalities of certain measures, in particular as regards meat and edible offals.

The Canadian representative also furnished details of the nature of the measures notified by Switzerland and explained the economic and social reasons for those measures.

While recognizing Canada's special domestic situation in the dairy products sector and Canada's efforts to improve it, the Swiss representative expressed the hope that more liberal measures for Swiss cheese exports might be introduced.

ANNEX V

Summary Note on Consultations Between Switzerland and Spain

In accordance with the decision made by the Sub-Group "Quantitative Restrictions" at its meeting in April 1976, Spain and Switzerland held bilateral consultations on 10 December 1976.

The Swiss representative stated that, for reasons of finance and in order not to delay the fact finding, he was prepared to discuss simultaneously import measures in respect of industrial and agricultural products but without prejudice to his country's position regarding the competence of the Sub-Group "Quantitative Restrictions" and the context in which any solutions concerning agricultural trade were to be negotiated.

He then went on to explain in detail the import measures concerning wine and certain fruits, the export of which was important to Spain, and described the economic and social considerations underlying the Swiss import régime for those products and its legal justification both at national level and within the framework of GATT. He emphasized that, despite those import measures, Switzerland was still the biggest per capita importer of agricultural products in the world.

As regards the measures notified by Switzerland as applied to, more particularly, footwear and products of the chemical, pharmaceutical, engineering, electrical and watch-making sectors, the Spanish representative explained that a substantial proportion of those products had been liberalized. He then went on to explain the economic and social considerations underlying his country's imports system.

The Swiss representative said he was gratified to learn of the progress achieved in the liberalization of Spain's import régime. As regards global quotas, which were no longer applied de facto but were still in existence de jure, he observed that they represented an element of insecurity for Swiss exporters. He nevertheless noted with great interest the assurances given by the Spanish representative that the de facto abandonment of certain quotas constituted in general a halfway step on the way to final abolition.