

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Fourth Annual Report by the Government of Switzerland Under the Declaration of 22 November 1958

Import Restrictions Applied by Switzerland

The Swiss Government submits hereunder to the twenty-second session of the ~~CONTRACTING PARTIES~~ its fourth report on the application of the reservations set forth under paragraph 1(b) of the Declaration of 22 November 1958 on the Provisional Accession of the Swiss Confederation to the General Agreement, as amended by the Procès-Verbal of 8 December 1961 and 31 October 1964.

A. Legal Basis for the Restrictions

The legislative provisions on which the import restrictions are based have not been amended since the third annual report (document L/2151 of 25 February 1964).

B. Application of the Restrictions

There has been no change during the period under consideration in the various restrictive systems or mechanisms applied to imports.

As regards the products concerned, the application of the import restrictions in 1963 and 1964 calls for the following comments:

1. Bread cereals, fodder cereals, fodder

The percentages of domestic wheat which the millers were required to take over in relation to total requirements were as follows:

<u>1963</u>	:	66.46 per cent	(weighted average)
<u>1964</u>	:	62.54 per cent	(weighted average)

Import quotas for fodder were adjusted from time to time to meet demand. Those imports, which had been 25 per cent higher in 1962 than in 1961, increased further by about 11 per cent in 1963 and remained at that level in 1964.

2. Animals for slaughter, and meat

Imports again rose appreciably, and the share of imports in consumption increased from 11.98 per cent in 1962 to 14.3 per cent in 1963 and about 20 per cent (estimate) in 1964.

3. Butter and whole milk powder, casein

After a slight decline in 1963, when imports amounted to 2,616 tons as compared with 3,607 tons in 1962, they rose to 10,817 tons in 1964. This trend was due to a sharp drop in milk production. Production is expected to return to normal in 1965 and this will reduce butter import capacity.

Imports of whole milk powder remained stable.

Imports of casein have been rising since 1961. The take-over ratio as between the imported and the domestic product was raised from 1:1 to 2:1 at the end of 1964.

4. Eggs

After a slight decline in 1963, imports continued on a rising trend. Their share in consumption amounted to about 42 per cent in 1963 and about 44 per cent in 1964.

The surplus situation on the European market inevitably affected the Swiss market. In order to offset the abnormally low price of imported eggs which threatened to force down prices on the Swiss market, an additional charge of 1 centime was applied from 29 May to 31 December 1964 as a temporary measure.

5. Fresh vegetables

Imports of fresh vegetables continued at a very high level.

Imports of potatoes fell back to their former level.

Since seed potato requirements can increasingly be met by domestic production, mainly in mountainous regions, there has been a declining tendency in recent years, and this was more marked in 1963 and 1964.

6. Fresh fruit

Imports of pip and stone fruit showed little change as compared with 1962.

On the other hand, imports of berries rose sharply, particularly in 1964.

7. Wines and grape juice

Wine consumption continued at a high level, so that quotas were enlarged.

8. Flowers

There was no change in the level of imports.

9. Alcohol

Imports rose appreciably because of higher domestic demand.

C. General Remarks

This report relates mainly to the application by Switzerland of import restrictions.

These measures represent only one aspect of Switzerland's agricultural policy and should therefore not be considered in isolation. It is therefore appropriate to mention here the overall effects of Switzerland's agricultural policy on imports. The latter have been rising steadily for some years past, as may be seen from the following figures:

1960	Sw.fr.	1,764, 824,000
1961	Sw.fr.	1,930, 527,000
1962	Sw.fr.	2,147, 750,000
1963	Sw.fr.	2,302, 400,000
1964	Sw.fr.	2,625, 552,000

This trend is partly due to the population increase (including foreign workers) and to higher incomes but also to the relative stability of Swiss agricultural production, for which, according to FAO statistics, the index is still one of the lowest (see Annex II). Since 1962, Switzerland has become one of the largest importing countries in terms of per caput imports of food-stuffs and fodder (see Annex III).

ANNEX ISwiss Imports of Agricultural Products Subject to Quantitative Restriction

	<u>1955/59</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
1. <u>Cereals and fodder</u>						
Bread wheat	323,939	345,183	319,756	318,923	251,946	270,444
Flour (including hard-wheat meal)	221	2,772	9,760	1,326	2,158	2,640
Fodder cereals and fodder	541,189	579,849	537,689	692,588	779,673	776,692
Grain for sowing	11,946	11,853	11,061	11,187	12,106	10,471
	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>	<u>Head</u>
2. <u>Livestock and meat</u>						
Dairy cattle and livestock for breeding (principally horses)	2,772	2,637	2,644	2,661	2,875	2,772
Cattle for slaughter	42,864	26,233	19,099	44,904	30,394	39,507
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
Meat, and animal fats	6,677	16,654	20,278	35,568	33,312	41,621
Preserves and preparations of meat	4,778	3,766	4,146	4,596	4,941	5,179
3. <u>Dairy products</u>						
Fresh butter	4,331	350	6,004	3,607	2,616	10,817
Whole milk powder	1,513	2,108	2,099	1,880	1,980	2,151
Casein	263	260	364	350	428	452
4. <u>Fresh eggs</u>	17,002	20,716	22,194	23,687	22,507	24,466

	<u>1955/59</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
5. <u>Vegetables</u>						
Fresh vegetables	90,467	94,956	106,280	115,755	113,403	113,878
Food potatoes	16,932	4,403	5,462	13,070	6,085	5,253
Potato products	nil	227	-	116	81	46
Seed potatoes	35,207	20,178	25,670	24,088	10,892	4,578
Seedling onions for planting	223	117	148	216	236	182
6. <u>Fruit and fruit preparations</u>						
Apples and pears	38,540	14,483	37,352	19,439	18,562	19,222
Stone fruit (except peaches)	35,841	16,183	16,002	18,680	18,391	14,820
Berries, fresh	771	6,911	8,443	7,530	8,029	10,775
Apples and pears for cider and perry	8,806	0	2,974	0	0	40
	(in 1957					
	only)					
Pectin	10	7	13	14	18	21
Apple juice and pear juice	72	15	1	46	24	27
	<u>1,000 hl</u>	<u>1,000 hl</u>	<u>1,000 hl</u>	<u>1,000 hl</u>	<u>1,000 hl</u>	<u>1,000 hl</u>
7. <u>Wines and grape juice</u>						
Wines in casks	1,145	1,137	1,074	1,178	1,318	1,342
Grape juice	29.4	16.5	15	27.8	21.6	25.5
	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>	<u>Tons</u>
8. <u>Fresh flowers</u>						
Fresh flowers, from 1 May to						
25 October	341	352	388	466	435	445
9. <u>Alcohol</u>						
	5,371	3,058	7,399	8,464	11,055	17,563

ANNEX II

Food Production*

(100 = average for 1952/53 - 1956/57)

	I. Total production			II. Per caput production		
	<u>1958/59</u>	<u>1960/61</u>	<u>1962/63</u>	<u>1958/59</u>	<u>1960/61</u>	<u>1962/63</u>
Belgium	112	114	118	109	110	113
Denmark	110	116	126	108	112	119
Fed.Rep. Germany	110	121	121	105	113	110
Finland	110	127	124	105	121	115
France	105	124	128	101	117	116
United Kingdom	101	118	129	100	115	123
Italy	117	109	120	115	105	114
Netherlands	117	119	122	111	110	110
Norway	101	102	99	98	97	92
Austria	116	123	129	115	121	126
Spain	110	117	123	106	111	115
Sweden	95	99	101	93	96	96
Switzerland	108	110	110	102	100	95
Yugoslavia	120	147	138	115	138	127
Canada	96	106	116	86	91	96
United States	111	112	113	103	101	99
Japan	117	125	133	112	118	123
Australia	120	124	137	110	109	116
New Zealand	113	117	123	103	104	104

* See FAO Monthly Bulletin of Agricultural Economics and Statistics; No.4, 1964.

ANNEX III

Per Caput Imports of Food and Fodder Products

(in US dollars)

	1959	1960	1961	1962
Switzerland	68.4	71.4	75.1	84.0
United Kingdom	82.1	81.1	77.1	81.8
Denmark	64.0	63.1	54.6	68.3
Netherlands	63.6	63.4	63.6	67.1
Fed. Rep. Germany	45.8	47.4	49.9	57.0
Norway	44.8	47.9	44.8	51.9
Sweden	44.8	45.1	45.5	49.3
Canada	37.0	36.2	36.5	36.1
France	29.8	31.8	30.0	35.2
Finland	28.0	27.5	27.7	30.4
Austria	28.1	30.1	24.9	28.9
New Zealand	21.8	22.4	24.1	20.5
United States	20.0	18.8	18.6	19.8
Italy	13.5	18.2	18.2	20.3
Australia	9.6	10.1	11.1	10.3
Japan	7.2	7.9	8.6	9.7
India	0.9	0.9	0.6	0.7
Europe (not including East European countries and Turkey; including Yugoslavia)	37.0	38.0	38.0	42.1

Figures computed on the basis of FAO Yearbook - Production 1963, and United Nations Statistical Bulletin.

