

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

RESTRICTED

MTN.SB/SN/16

10 June 1988

Special Distribution

Surveillance Body

Original: English

STANDSTILL

Notification

1. <u>Participant notifying:</u> United States
2. <u>Participant maintaining the measure:</u> Switzerland
3. <u>Description of the measure</u> (including the date of entry into force and reference to any relevant legislation or other document):  In February 1988, the Government of Switzerland announced the introduction for the first time of a price support program for soybeans (SZ 8001). The Government will support domestic soybean production at about U.S. \$ 1500 per metric ton (750 percent above the world price) for up to 2,000 hectares of cultivated land and will acquire all production. This measure begins in calendar year 1988 and will encourage commercial production of soybeans in direct competition with soybeans and soybean meal imports from the United States. The United States exports about 50,000 tons of soybeans and 30,000 tons of soybean meal annually to Switzerland, representing 30 percent of Switzerland's oilseed imports and 40 percent of Swiss protein meal imports. The measure will also adversely affect the 9,000 tons of U.S. peanuts exported to Switzerland annually.
4. <u>Products covered, including tariff headings:</u>  HS 1201.00 soybeans
5. <u>Country or countries to which the measure applies:</u>  The trade effects of the Swiss soybean subsidy impinge on the United States and other producers of soybeans and soybean products.

./.

6. Relevance of the measure to the standstill commitment:

The Government of Switzerland is introducing a new subsidy which will be detrimental to U.S. trade and is inconsistent with its commitment not to take any trade measure in such a way as to improve its negotiating position.

7. Comments by the participant maintaining the measure: