



Committee on Regional Trade Agreements

FACTUAL PRESENTATION

TRADE AGREEMENT BETWEEN SWITZERLAND AND THE UNITED KINGDOM, GOODS

Report by the Secretariat

This report, prepared for the consideration of the Trade Agreement between the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland, including the Additional Agreement between the Swiss Confederation, the United Kingdom of Great Britain and Northern Ireland and the Principality of Liechtenstein extending to the Principality of Liechtenstein certain provisions of the Trade Agreement between the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland, has been drawn up by the WTO Secretariat on its own responsibility and in full consultation with the Parties. The factual presentation reproduces as closely as possible the terminology used in the Agreement and in the comments provided and does not imply official endorsement or acceptance by the Secretariat of such terminology. The report has been drawn up in accordance with the rules and procedures contained in the Decision for a Transparency Mechanism for Regional Trade Agreements (WT/L/671) and thus does not imply any value judgement by the Secretariat regarding the contents of the Agreement.

Any technical questions arising from this report may be addressed to Jean-Daniel Rey (tel: +41 22 739 5264). Any statistical questions arising from this report may be addressed to Rowena Cabos (tel: +41 22 739 5185).

Table of Contents

	<i>Page</i>
1 TRADE ENVIRONMENT.....	4
1.1 Merchandise Trade.....	4
2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT	6
2.1 Background information	6
3 PROVISIONS ON TRADE IN GOODS	12
3.1 Import duties and charges, and quantitative restrictions	12
3.1.1 General provisions	12
3.1.2 Liberalization of trade and tariff lines	13
3.1.3 Liberalization schedule.....	13
3.1.3.1 The United Kingdom	15
3.1.3.2 Switzerland / Liechtenstein	17
3.1.4 Tariff rate quotas	19
3.2 Rules of origin.....	19
3.3 Export duties and charges, and quantitative restrictions	22
3.4 Regulatory provisions of the agreement	22
3.4.1 Standards.....	22
3.4.1.1 Sanitary and phytosanitary measures	22
3.4.1.2 Technical barriers to trade.....	23
3.4.2 Safeguard mechanisms.....	24
3.4.2.1 Global safeguards	24
3.4.2.2 Bilateral safeguards.....	24
3.4.2.3 Specific safeguards for agriculture	25
3.4.2.4 Other Safeguard measures	25
3.4.3 Anti-dumping measures.....	25
3.4.4 Countervailing measures.....	25
3.4.5 Subsidies and state-aid.....	25
3.4.6 Customs-related procedures.....	25
3.5 Sector-Specific Provisions of the Agreement	26
3.5.1 Organically produced agricultural products and foodstuffs	26
3.5.2 Petroleum products	27
3.5.3 Wine-sector products	27
3.5.4 Spirit drinks and aromatised wine-based drinks.....	27
3.5.5 Fresh fruit and vegetables.....	28
4 GENERAL PROVISIONS OF THE AGREEMENT	28
4.1 Transparency	28
4.2 Current payments and capital movements.....	28
4.3 Exceptions.....	29
4.3.1 General exceptions and Security exceptions.....	29
4.3.2 Taxation	29

4.4	Accession and withdrawal	29
4.5	Institutional framework	29
4.6	Dispute settlement	29
4.7	Relationship with other agreements concluded by the Parties.....	29
4.7.1	The Additional Agreement between Switzerland, the UK and Liechtenstein	30
4.7.2	FTA between the UK, Norway, Iceland, and Liechtenstein	30
4.7.3	Relationship with other agreements.....	30
4.8	Government procurement.....	32
4.9	Intellectual property rights.....	33
4.10	Competition policy, monopolies, and state enterprises.....	33
4.11	Environment	34
4.12	Labour	34
4.13	Electronic commerce	34
4.14	Small and medium-sized enterprises	34
4.15	Other.....	34
4.15.1	Trade in services.....	34
4.15.2	Cooperation to combat fraud	34
ANNEX 1	36
ANNEX 2	41

Key Facts	
Parties to the Agreement:	The United Kingdom, Switzerland, and Liechtenstein
Date of Signature:	11 February 2019
Date of Entry into Force:	1 January 2021
Date of Notification:	31 December 2020
Full implementation:	1 January 2021

The factual presentation describes the Trade Agreement between the United Kingdom of Great Britain and Northern Ireland (the United Kingdom or UK) and the Swiss Confederation (Switzerland), hereinafter referred as "the Agreement". It also contains a description of the Additional Agreement between the Swiss Confederation, the United Kingdom of Great Britain and Northern Ireland and The Principality of Liechtenstein (Liechtenstein)¹ which extends to Liechtenstein certain provisions of the Agreement. The Agreement largely replicates legal instruments, which governed EU – Switzerland trade relations when the UK was still an EU Member State, and hence a large part of this factual presentation refers to the provisions agreed between Switzerland and the EU.

1 TRADE ENVIRONMENT

1.1 Merchandise Trade

1.1. In 2020, the UK's merchandise exports amounted to USD 403.9 billion and its merchandise imports to USD 632.6 billion. In the same year, Switzerland's merchandise exports amounted to USD 318.4 billion and its merchandise imports to USD 290.3 billion.² While the UK recorded a drop in its merchandise trade in 2020 related in part to the COVID-19 pandemic, Switzerland's global trade grew moderately during this period. According to the same data sources, the UK was Switzerland's 4th largest source of imports (5.73% of Switzerland's total imports) and 4th largest destination for exports (5.27% of Switzerland's total exports)³, while Switzerland was the UK's 8th largest source of imports (2.2%) and 3rd largest export destination (4.8%).⁴

1.2. Globally, based on 2020 trade data⁵, the UK was the 12th largest exporter and the 5th largest importer of merchandise in the world (respectively 2.30% of world total exports and 3.56% of world total imports). In comparison, Switzerland was the 13th largest global exporter and the 12th largest global importer of merchandise (respectively 1.81% of world total exports and 1.64% of world total imports).⁶ Both Parties' trade was dominated by manufactured products which made up 71.6% and 66.1% of the UK's merchandise exports and imports respectively, and 73.5% and 66.7% of exports and imports respectively for Switzerland.

1.3. Chart 1.1 summarizes the trends in global trade of the Parties as well as their bilateral trade relations for the period 2018-2020. From 2018 to 2020, the UK's global trade deficit deepened (from

¹ References to Switzerland in this factual presentation also cover Liechtenstein unless specifically mentioned.

² Based on data from the Parties (for the UK) and from UNSD Comtrade database (for Switzerland).

³ Data from UNSD Comtrade database excluding intra-EU trade.

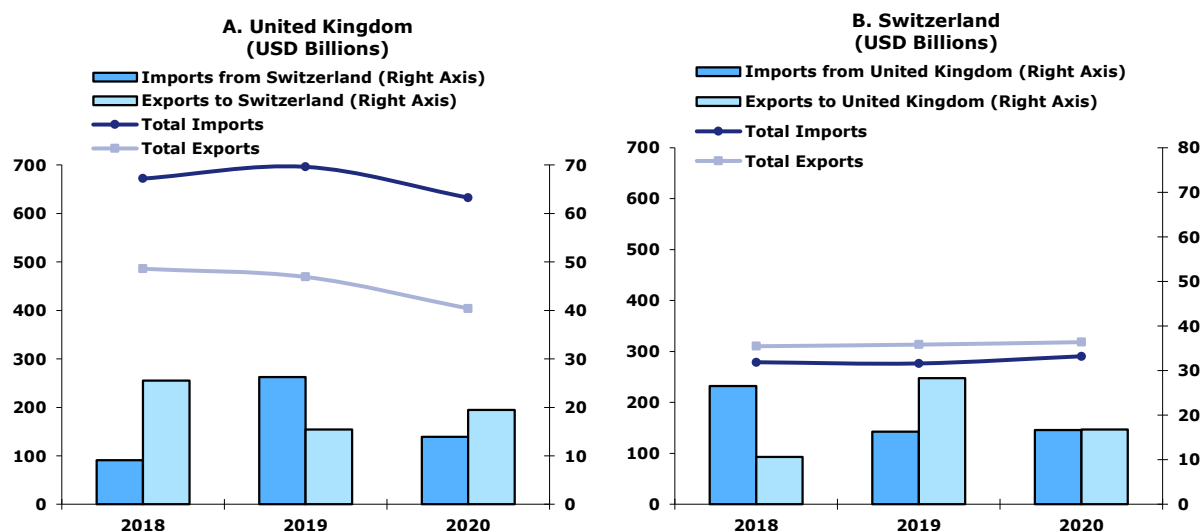
⁴ Data provided by the UK excluding intra-EU trade. In 2020, according to UK's data, Liechtenstein was the UK's 130th largest source of imports and 66th largest export destination; in both cases with a negligible part of the trade. The national statistics of the Parties may slightly differ from the, also official, sources systematically used in the preparation of factual presentations.

⁵ Data extracted from the WTO Trade Profiles, as of December 2021, using 2020 reported data and therefore including intra-EU trade.

⁶ Ranks in world trade and shares in world trade are based on WTO Trade Profiles (2021).

USD 185.8 billion in 2018 and USD 227 billion in 2019 to USD 228.7 billion in 2020).⁷ During the same period, Switzerland's global trade surplus remained relatively stable though fluctuating from USD 31.9 billion in 2018 to USD 37.3 billion in 2019 and to USD 28.1 billion in 2020.⁸ At the bilateral level, data from the Parties show a balance in favour of the UK except for 2019 when the UK balance moved into a deficit.

Chart 1.1 United Kingdom-Switzerland: Merchandise bilateral and global trade, 2018-2020



Source: Based on data provided by the Parties and the UNSD, Comtrade database.

Note: Switzerland trade data includes Liechtenstein.

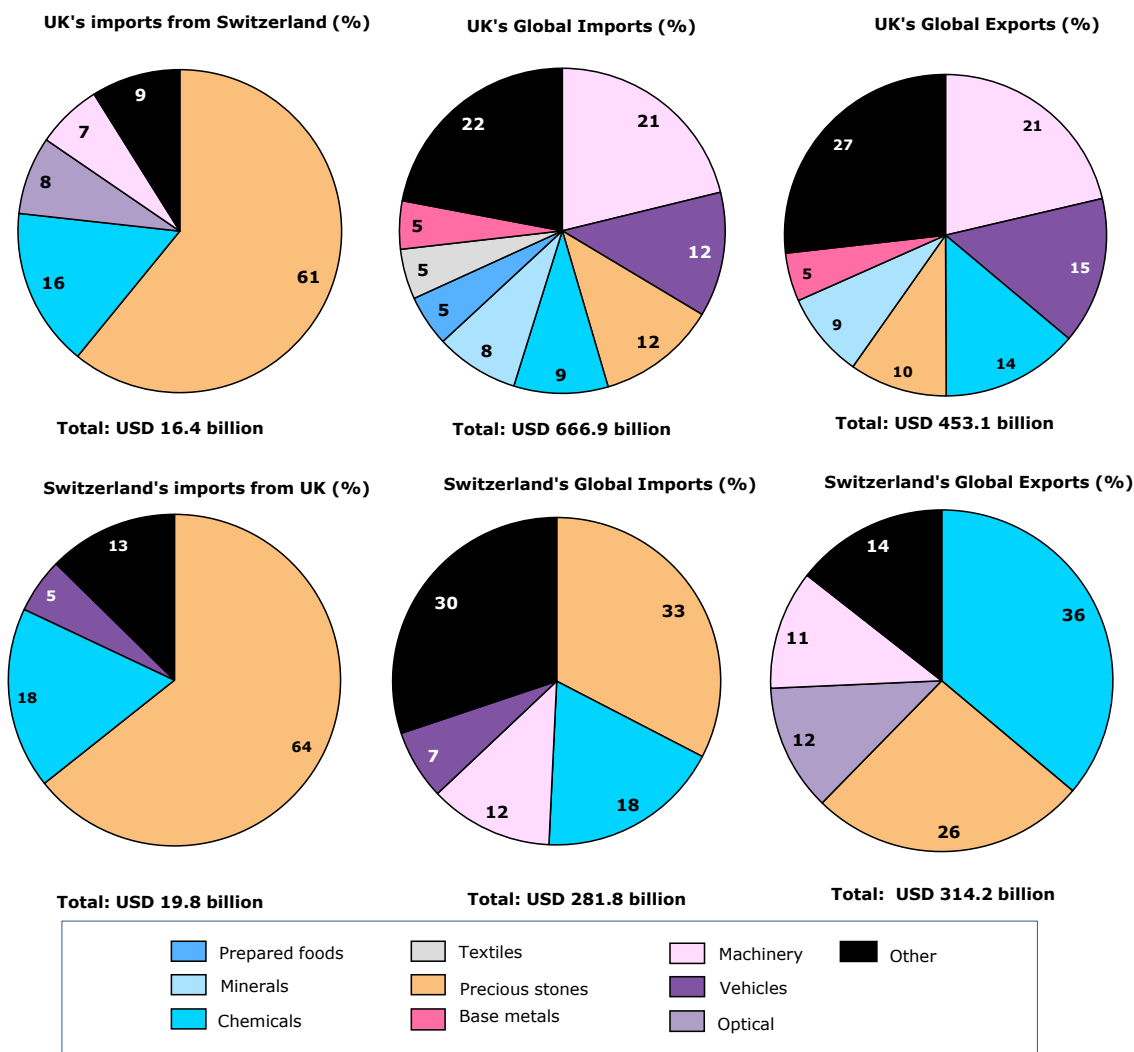
1.4. The commodity structure of trade between the UK and Switzerland, as well as their' global trade in the period 2018-2020, are shown in Chart 1.2 on the basis of Harmonized System (HS) sections, using the same statistics as in the previous Chart.⁹ Precious stones (in particular non-monetary gold) account for more than half of the UK's imports from Switzerland (60.9% of the UK's total imports from Switzerland), and for an even larger share of Switzerland's imports from the UK (64.3%). This category corresponded to only 10% of the UK's global exports, and to 26% of Switzerland's exports to the world. The other most imported commodities by the UK from Switzerland were chemical products, and optical and photographic equipment, representing respectively 15.9%, and 7.8% of the UK's imports from its partner. The same commodities corresponded to, respectively 36.1% and 12% of Switzerland's global exports, and to, respectively, 9.4% and 3.2% of the UK's total imports from the world. The other most imported commodities by Switzerland from the UK were chemical products, and vehicles, representing respectively 17.7%, and 5.4% of Switzerland's imports from its partner. The same commodities corresponded to, respectively 13.8% and 14.8% of the UK's global exports, and to, respectively, 18.1% and 6.9% of Switzerland's total imports from the world.

⁷ Based on data from the UK.

⁸ Based on data from Switzerland, including data for Liechtenstein.

⁹ The national statistics of the Parties may slightly differ from the, also official, sources systematically used in the preparation of factual presentations.

Chart 1.2 United Kingdom-Switzerland: Product composition of merchandise trade by HS Section, annual average (2018-2020)



Source: Based on data provided by the Parties and the UNSD, Comtrade database.

Note: Switzerland trade data includes Liechtenstein.

2 CHARACTERISTIC ELEMENTS OF THE AGREEMENT

2.1 Background information

2.1. UK-Switzerland trade relations were previously governed by a number of legal instruments based on the UK's membership of the EU. There is no single comprehensive trade agreement between the EU and Switzerland but a series of agreements that have been built up over several decades, which ceased to apply to the UK as of 1 January 2021.¹⁰ At the time of drafting the factual presentation, the agreements that define the EU-Switzerland trade relationship include, *inter alia*:

- a. The *EU-Switzerland FTA*¹¹ (hereinafter referred to as "the incorporated FTA");

¹⁰ For more information on the EU-Switzerland Trade Agreements, readers may refer to the WTO documents series WT/REG94. The initial notification was made as document L/3758 (and L/3758/Add.1). Moreover, successive Trade Policy Reviews of Switzerland and Liechtenstein may also address relevant aspect of EU-Switzerland trade relations.

¹¹ *Agreement between the European Economic Community and the Swiss Confederation*, done at Brussels on 22 July 1972.

- b. The *Fisheries and Agriculture Exchanges of Letters*¹² (hereinafter referred to as "the incorporated F&A Letters");
- c. The *Procurement Agreement*¹³ (hereinafter referred to as "the incorporated PA");
- d. The *Mutual Recognition Agreement*¹⁴ (hereinafter referred to as "the incorporated MRA");
- e. The *GSP Exchange of Letters*¹⁵ (hereinafter referred to as "the incorporated GSP Letters");
- f. The *Agriculture Agreement*¹⁶ (hereinafter referred to as "the incorporated AA");
- g. The *Anti-Fraud Agreement*¹⁷ (hereinafter referred to as "the incorporated AFA"); and
- h. The *Customs Security Agreement*¹⁸ (hereinafter referred to as "the incorporated CSA").

2.2. In the context of Switzerland-EU trade relations, and with respect to the application of the *Procurement Agreement*, the *Mutual Recognition Agreement* and the *Agriculture Agreement* (which are incorporated into the Agreement, as modified), as well as four other agreements between Switzerland and the EU¹⁹ (which are not incorporated into the Agreement), their duration was originally set to seven years, then renewed indefinitely.²⁰ These agreements are linked by a so-called "guillotine clause". The guillotine clause stipulates that if one of the agreements was terminated, the others would also cease to have effect.²¹ The Parties have clarified that they have, to date, concluded nine new bilateral agreements to date, which ensure, as far as possible, that the previous rights and obligations between the Parties continue to apply. Six of these agreements have been applied since 1 January 2021. They concern trade (the Agreement), services mobility, road transport, air transport, insurance and migration (citizens' rights). An agreement on the mutual recognition of the authorised economic operator status (AEOs) entered into force on 1 September 2021. A bilateral police cooperation agreement entered into force on 14 October 2021 and a social security agreement has been applied provisionally since 1 November 2021. There is no guillotine clause in the bilateral UK – Switzerland agreements. As regards the Agreement specifically, termination provisions are detailed in Article 9 (paragraph 5) as follows: "A Party may terminate this Agreement, or any Incorporated Agreement, by notification to the other Party of its intention to do so. This Agreement or the Incorporated Agreement that that Party intends to terminate shall cease

¹² *Agreement in form of an Exchange of Letters of 21 July 1972 between the Swiss Confederation and the European Community concerning certain agricultural and fishery products*, as subsequently adapted by the further Agreements of 5 February 1981, 14 July 1986 and 18 January 1996.

¹³ *Agreement between the European Community and the Swiss Confederation on certain aspects of government procurement*, done in Luxembourg on 21 June 1999.

¹⁴ *Agreement between the European Community and the Swiss Confederation on mutual recognition in relation to conformity assessment*, done in Luxembourg on 21 June 1999.

¹⁵ *Agreement in the form of an Exchange of Letters between the European Community and each of the EFTA countries that grants tariff preferences under the GSP* (Norway and Switzerland), providing that goods originating in Norway or Switzerland shall be treated on their arrival on the customs territory of the Community as goods with content of Community origin (reciprocal agreement), done at Brussels on 14 December 2000.

¹⁶ *Agreement between the European Community and the Swiss Confederation on trade in agricultural products*, done at Luxembourg on 21 June 1999.

¹⁷ *Cooperation Agreement between the European Community and its Member States and the Swiss Confederation to combat fraud and any other illegal activity to the detriment of their financial interests*, done at Luxembourg on 26 October 2004.

¹⁸ *Agreement between the European Community and the Swiss Confederation on the simplification of inspections and formalities in respect of the carriage of goods and on customs security measures*, done at Brussels on 25 June 2009.

¹⁹ The *Agreement on the Free Movement of Persons*, the *Agreement on Air Transport*, the *Agreement on the Carriage of Goods and Passengers by Road and Rail*, and the *Agreement on Scientific and Technological Cooperation*.

²⁰ The Parties clarified that they had concluded agreements on air services; land transport (carriage of goods, passengers by road and rail); free movement of persons (Citizen's rights agreement, which does not allow for future free movement but preserves in full the acquired rights of Swiss and UK citizens already in the other country on 31 December 2020); and several others not mentioned. They also confirm that EU-Switzerland agreement on scientific and technological cooperation has not been transitioned and that the "guillotine clause" linking the various "bilateral" agreements between the EU and Switzerland is not in place.

²¹ See paragraphs 1-4 of Article 17 of the *Agriculture Agreement*; Article 21 of the *Mutual Recognition Agreement*; and Article 18 of the *Procurement Agreement*.

to be in force twelve months after receipt of that notification, unless otherwise provided for in the Incorporated Agreement to be terminated."²²

2.3. The Agreement was negotiated to preserve the existing trading relationship between the Parties under the Switzerland-EU trade agreements and to provide a platform for further trade liberalisation and development of the trade relations between them. Free movement of persons as such was not maintained in the bilateral relations between Switzerland and the UK.

2.4. Moreover, the UK, Liechtenstein and Switzerland have negotiated an Additional agreement extending to the Principality of Liechtenstein certain provisions of the Agreement.²³ This is relevant to this factual presentation as Switzerland and Liechtenstein are bound by the Customs Union Treaty of 29 March 1923²⁴, while it was the European Economic Area Agreement (EEA), to which Switzerland is not a party, that governed the previous trading relationship between the UK and Liechtenstein.²⁵

2.5. The Agreement is one of the UK's 37, and Switzerland's 32 RTAs notified to the WTO.²⁶ It was signed on 11 February 2019 and entered into force on 1 January 2021. It was notified to the WTO on 31 December 2021 under Article XXIV:7(a) of the GATT 1994 and its Understanding.²⁷

2.6. The text of the Agreement, together with its annexes, is available on the Parties' official websites:

Switzerland:

https://www.seco.admin.ch/seco/en/home/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/Wirtschaftsbeziehungen/brexit.html

The UK:

<https://www.gov.uk/government/publications/cs-switzerland-no42019-ukswitzerland-trade-agreement>

<https://www.gov.uk/government/publications/cs-liechtenstein-no12019-ukliechtenstein-additional-agreement-extending-certain-provisions-of-ukswiss-trade-agreement-to-liechtenstein>

2.7. The Agreement contains only nine Articles. In Article I of the Agreement, it, nevertheless, incorporates by reference the provisions of the agreements listed in (a)-(h) of paragraph 2.1, which are referred to as the "Switzerland-EU Trade Agreements" and in this factual presentation, as "the incorporated Agreements". They are incorporated subject to the provisions in the Agreement, including modifications in Annexes 1 through 6 to the Agreement. Annex 1, including its Appendix on rules of origin, contains modifications to the incorporated FTA; Annex 2 modifies the incorporated PA; Annex 3 modifies the incorporated MRA; Annex 4 modifies the incorporated AA, including its Appendix on TRQs; Annex 5 modifies the incorporated GSP Letters; and Annex 6 modifies the incorporated AFA. The Agreement is also complemented, *inter alia*, by a Joint Declaration concerning a trilateral approach to rules of origin.

2.8. Boxes 2.1 and 2.2 below summarize the structure of the Agreement and the structure of the incorporated agreements.

²² The Parties clarify that the termination of any agreement concluded between the EU and Switzerland would not terminate the corresponding respective incorporated agreement.

²³ Section 4.7 below provide more details on the applicability of the Agreement to Liechtenstein.

²⁴ SR 0.631.112.514 - Vertrag vom 29. März 1923 zwischen der Schweiz und Liechtenstein über den Anschluss des Fürstentums Liechtenstein an das schweizerische Zollgebiet (mit Schlussprotokoll und Anhängen).

²⁵ For more information on the EEA, readers may refer to the WTO documents series WT/REG138.

²⁶ RTAs in goods and services counted as one and only agreements in force, notified to the WTO as of 29 November 2021. In the case of Switzerland, 27 RTAs have been concluded under the EFTA platform and 5 additional RTAs have been concluded individually by Switzerland.

²⁷ see document WT/REG437/N/1.

Box 2.1 Structure of the Agreement

Articles of the Agreement	Title/description
Preamble	
Article 1	Incorporation of the Switzerland-EU Trade Agreements
Article 2	Definitions and interpretations
Article 3	Objective
Article 4	Territorial application
Article 5	Continuation of time periods
Article 6	Joint Committees
Article 7	Amendments
Article 8	Review
Article 9	Entry into force, provisional application and termination
Annex 1	Modifications to the (incorporated) <i>Free Trade Agreement</i> (FTA)
Appendix	Modifications to Protocol 3 concerning the definition of the concept of "originating products" and methods of administrative cooperation
Annex 2	Modifications to the (incorporated) <i>Procurement Agreement</i> (PA)
Annex 3	Modifications to the (incorporated) <i>Mutual Recognition Agreement</i> (MRA)
Annex 4	Modifications to the (incorporated) <i>Agriculture Agreement</i> (AA)
Appendix A	Annex 1 (Concessions granted by Switzerland / TRQs)
Appendix B	Annex 2 (Concessions granted by the UK / TRQs)
Appendix C	Annex 9 (Organically produced agricultural products and foodstuffs)
Annex 5	Modifications to the (incorporated) <i>GSP Exchange of Letters</i> (GSP Letters)
Annex 6	Modifications to the (incorporated) <i>Anti-Fraud Agreement</i> (AFA)
Joint Declaration	Concerning a trilateral approach to rules of origin
Other instruments	Additional Agreement between the Swiss Confederation, the United Kingdom of Great Britain and Northern Ireland and the Principality of Liechtenstein extending to the Principality of Liechtenstein certain provisions of the Trade Agreement between the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland
	Memorandum of Understanding between the State Secretariat for Economic Affairs of the Swiss Confederation and the Department for International Trade of the United Kingdom of Great Britain and Northern Ireland
	Temporary Agreement between the Swiss Confederation, the United Kingdom of Great Britain and Northern Ireland on Services Mobility

Source: WTO Secretariat based on the Agreement.

Box 2.2 Provisions of the Incorporated Agreements (Switzerland-EU Agreements) modified by Annexes 1 to 6 to the Agreement.

Provisions of the incorporated agreements	Title/description	Provisions modified through Annexes to the Agreement
a. The Switzerland-EU FTA (FTA)		Modifications in Annex 1 to the Agreement
Main text		Art. 33: Integral parts of the Agreement
Protocol 2	Concerning certain processed agricultural products	
		Art. 1, para. 2 and 3: General principles
		Art. 2: Application of price compensation measures
		Art. 3: Price compensation measures on imports
		Art. 4: Reference prices
		Art. 5: Review of prices (including Tables III and IV)
Protocol 3	Concerning the definition of the concept of "originating products" and methods of administrative cooperation	The whole Protocol (which referred to the "Regional Convention on pan Euro-Mediterranean preferential rules of origin") is replaced by a fully-fledged set of rules and disciplines on preferential rules of origin

<i>Provisions of the incorporated agreements</i>	<i>Title/description</i>	<i>Provisions modified through Annexes to the Agreement</i>
b. The Fisheries and Agriculture Exchanges of Letters (F&A Letters)		No modification
c. The Procurement Agreement		Modifications in Annex 2 to the Agreement
Main Text		Preamble, para. 2:
		Art. 6, para 4:
	Joint Declarations on the procedures for the award of contract and on challenging procedures	confirmed application
	Joint Declaration on the monitoring authorities	confirmed application
	Additional "Transitional Rules"	Annex XI added (incorporation of the rules of the WTO GPA, including the 2012 Protocol)
d. The Mutual Recognition Agreement (MRA)		Modifications in Annex 3 to the Agreement*
Main text		Art. 10 (Committee)
		Art. 12 (Information Exchange)
		Annex 1 (Product sectors), Chapter 12 (Motor Vehicles)
		Annex 1, Chapter 14 (Good Laboratory Practice, GLP)
		Annex 1, Chapter 15 (Medicinal Products, GMP Inspection and Batch Certification)
	Joint Declaration on the Mutual Recognition of Good Clinical Practice and Inspections	
e. The GSP Exchange of Letters (GSP Letters)		Modifications in Annex 5 to the Agreement
Main Text		Para. 1:
		Para. 2:
	Administrative assistance	New
	Non-application to products of HS Chapters 1-24 (agricultural products)	New
f. The Agriculture Agreement (AA)		Modifications in Annex 4 to the Agreement*
Annex 1	Concessions granted by Switzerland	Replaced by Appendix A (including TRQs)
Annex 2	Concessions granted by the EU	Replaced by Appendix B (including TRQs)
Annex 3	Concessions regarding cheese	No modification (but became obsolete)
Annex 7	On trade in wine-sector products	Adjustments
Annex 8	On the mutual recognition and protection of names of spirits drinks and aromatised wine-based drinks, including Appendix 1	Adjustments
Annex 9	On organically produced agricultural products and foodstuffs	Replaced by Appendix C to the Agreement
Annex 10	On recognition of conformity checks for fresh fruits and vegetables subject to marketing standards	No modification
Annex 12	On the protection of designations or origin and of geographical indications for agricultural products and foodstuffs	Adjustments
g. The Anti-Fraud Agreement (AFA)		Modifications in Annex 6 to the Agreement
Main Text		Art. 39, para 3 (Joint Committee)
		Art. 46 (application over time)
		Art. 47 Extension of the Agreement to the new Member States of the European Union)
	Joint Declaration on money laundering	confirmed application

<i>Provisions of the incorporated agreements</i>	<i>Title/description</i>	<i>Provisions modified through Annexes to the Agreement</i>
	Agreed Minute of the negotiations on the cooperation agreement between the European Community and its member states, of the one part, and the Swiss Confederation, of the other part, to combat fraud and any other illegal activity to the detriment of their financial interest	confirmed application except with regards to Ad Article 25(2) and Ad Article 43 of the Agreed Minutes
h. The Customs Security Agreement (CSA)		No modification*

* Subject to the suspended application referred to below.

Source: WTO Secretariat based on the EU Official Journal L 300, last updated as of 01.02.2016.

2.9. In the Preamble of the Agreement, the Parties reaffirm their desire that their rights and obligations under trade-related agreements between Switzerland and the European Union should continue to apply between them. Moreover, they state that the overriding objective of the Agreement is to preserve their existing trading relationship under the Switzerland-EU Trade Agreements and to provide a platform for further trade liberalization and development of their trade relations (Article 3).

2.10. Article 1 incorporates the Switzerland-EU Trade Agreements and other instruments, subject to modifications and adjustments in Annexes 1 to 6 to the Agreement (see Box 2.2 above). However, certain provisions shall not apply unless otherwise decided by the relevant Joint Committee. These suspensions concern Annexes 4-6, 9 and 11 of the incorporated AA²⁸; Chapters 1-11, 13 and 16-20 of Annex 1 to the incorporated MRA²⁹; and the incorporated CSA. Nevertheless, the Parties have agreed to examine, in the relevant Joint Committee, these matters and assess the level of divergence or alignment between their domestic legislation, in light of developments in the arrangement between each of the Parties and third parties, with the aim of ensuring continuity as far as possible of the trade arrangements between the Parties. The relevant Joint Committee may decide to apply the above-mentioned provisions, with or without modifications, or replace those provisions. To date, the Parties have made use of this possibility by deciding to apply a revised Annex 9 (new Appendix C to the Agreement) on organically produced agricultural products and foodstuffs.³⁰

2.11. With respect to territorial application (Article 4), the Agreement applies, to the territory of Switzerland, and, for the UK, to the United Kingdom, Gibraltar, the Channel Islands and the Isle of Man. The application of certain provisions of the Agreement to Liechtenstein is governed by an Additional Agreement. The Parties have agreed that the provisions of the incorporated FTA and the incorporated AA, as modified by the Agreement, apply also to Liechtenstein. The adaptation specific to Liechtenstein of the incorporated AA is laid down in the Annex to the Additional Agreement.

2.12. If an implementation period in the Switzerland-EU Trade Agreements has not yet ended, the remainder shall be incorporated into the Agreement. If a period mentioned in the Switzerland-EU Trade Agreements has ended, any resulting rights and obligations shall continue to apply between the Parties (Article 5).

2.13. Article 8 foresees that the Parties shall, within 24 months from the entry into force of the Agreement, conduct exploratory discussions with the aim of replacing, modernising, or developing the Agreement.³¹ In that context, they may consider the possibility to develop their bilateral relations as well as relations with third parties. Developments in other international fora, in particular the WTO, may also be considered. Other areas such as trade facilitation, trade in services, protection of

²⁸ On, respectively, plant health; animal feed; seeds; organically produced agricultural products and foodstuffs; and animal-health and zootechnical measures applicable to trade in live animals and animal products.

²⁹ On, respectively, machinery; personal protective equipment; toys; medical devices; gas appliances and boilers; pressure vessels; radio equipment and telecommunications terminal equipment; electrical equipment and electromagnetic compatibility; construction plant and equipment; measuring instruments and pre-packages; agricultural or forestry tractors; and construction products.

³⁰ See Decision 1/2021 of the Joint Switzerland-United Kingdom Committee on Agriculture.

³¹ The Parties indicate that they have concluded a review of existing trading arrangements. The UK launched a public consultation on 28 April 2022 to determine the ambition and content for a modernised FTA. They are planning to start exploratory discussions in the second half of 2022.

intellectual property rights, labour, environment, trade remedies and dispute settlement are also identified for possible further consideration.

3 PROVISIONS ON TRADE IN GOODS

3.1. The incorporated FTA³², as modified, applies to products falling within HS Chapters 25 to 97, except for a few products identified in Annex I to the incorporated FTA.³³ In addition, a small number of agricultural products, identified in Annex II to the incorporated FTA³⁴, are also subject to the disciplines of the FTA. Moreover, the products which are specified in Protocol No 2 of the incorporated FTA (on processed agricultural products) are also subject to the disciplines of the FTA, including those of that Protocol, as modified.

3.2. The incorporated AA³⁵, as modified, applies to products falling within HS Chapters 1-24, except for Fish and Crustaceans, Molluscs and other Aquatic Invertebrates in HS Chapter 3 and other fish products under HS headings 1604 and 1605, as well as some animal products in HS 0511 91 10, HS 0511 91 90; pasta products under HS 1902 20 10; and some flour of fish or molluscs under HS 2301 20 00. In addition, the agricultural products, in Annex II to the incorporated FTA that are subject to the disciplines of the incorporated FTA as well as products in Protocol No 2 of the incorporated FTA are not subject to the commitments made by the Parties under the incorporated AA, as modified.

3.1 Import duties and charges, and quantitative restrictions

3.1.1 General provisions

3.3. General provisions on trade in goods are contained in the incorporated FTA, essentially with respect to trade in industrial goods³⁶, as complemented by other instruments, in particular the incorporated AA, with respect to agricultural goods.

3.4. The standstill on customs duties on imports agreed by the Parties is complemented by the progressive abolition of customs duties, and other charges having equivalent effect, on imports as defined in Articles 3 and 6 of the incorporated FTA (see below). Moreover, the Agreement incorporates the provisions of the incorporated FTA on quantitative restrictions on imports or measures having equivalent effect, which under Article 13 of the incorporated FTA stipulates that the Parties shall abolish quantitative restrictions applicable to imports between themselves by 1 January 1973 and measures having equivalent effect by 1 January 1975.

3.5. A Party, which is considering reducing the effective level of its customs duties or charges for a third-party benefiting from MFN treatment, shall notify the other Party through the Joint Committee. It shall take note of any representations by the other Party regarding any distortion which might result therefrom (Article 12 of the incorporated FTA). The same approach shall be followed in case

³² The Switzerland-EU FTA entered into force on 1 January 1973. It was reviewed and modified at numerous occasions through Decisions of the (Switzerland-EU) Joint Committee, through additions of supplementary protocols, and through agreements in the form of exchanges of letters. Moreover, additional agreements negotiated between Switzerland and the EU complement the trade rules and disciplines in place between them, some of which has also been incorporated, in addition to the incorporated FTA, into the Agreement.

³³ The products excluded from the coverage of the FTA cover some acyclic alcohols and their derivatives (HS 2905 43, HS 2905 44); some casein and derivatives (HS 3501 10, ex HS 3501 90); some albumins (HS 3502. 11, HS 3502 19, HS 3502 20); some dextrans and other modified starches (HS 3505); some finishing agents, dye carrier (HS 3809 10); some industrial monocarboxylic fatty acids and alcohols (HS 3823 11; HS 3823 12; HS 3823 19; HS 3823 70); some other chemical products and preparations (HS 3824 60); flax, raw or processed but not spun, and flax tow and waste (HS 5301); and true hem, raw or processed but not spun, tow and waste of true hem (HS 5302).

³⁴ The agricultural products covered by the FTA are vanilla oleoresin (ex HS 1302.19); cotton linters (HS 1404 20); hydrogenated castor oil, so called "opal-wax" (ex HS 1516 20); and linoxyn (HS ex 1518).

³⁵ The Switzerland-EU AA entered into force on 1 June 2002. It was reviewed and modified at numerous occasions through Decisions of (Switzerland-EU) Joint Committees (Joint Veterinary Committee, and Joint Committee on Agriculture), as well as through agreements amending the initial agreement (in 2009 on trade in agricultural products, and in 2011 on the protection of designations of origin and geographical indications for agricultural products and foodstuffs).

³⁶ Paragraph 3.1 describes more precisely the coverage of the incorporated FTA, which includes some processed agricultural products.

of a change in the arrangements which may be applied to exports to third parties (Article 13b of the incorporated FTA).

3.6. The Agreement, through Article 17 of the incorporated FTA, shall not preclude the maintenance or establishment of customs unions, free trade areas or arrangements for frontier trade, except in so far as they alter the trade arrangements provided for in the Agreement, in particular the provisions concerning rules of origin.

3.7. The Parties shall refrain from any discriminatory measure or practice of an internal fiscal nature. Moreover, products exported to the territory of the other Party may not benefit from repayment of internal taxation in excess of the amount of direct or indirect taxation imposed on them (Article 18 of the incorporated FTA).

3.1.2 Liberalization of trade and tariff lines

3.8. The incorporated provisions governing the liberalization schedule agreed by the Parties in the context of the Switzerland–EU Trade Agreements distinguish between industrial products, processed agricultural products, and agricultural products. The disciplines relating to industrial products and processed agricultural products are contained in the incorporated FTA, while the disciplines relating to agricultural products are contained in the incorporated AA.

3.1.3 Liberalization schedule

3.9. With respect to industrial goods³⁷, Articles 3 through 6 of the FTA govern the tariff liberalization program, foreseeing a progressive abolition of customs duties on imports and charges having equivalent effect to customs duties, according to a timetable which was complete in 1977. There is a longer timetable for the abolition of customs duties for some selected products, as defined in Article 8 of and Protocol No 1 to the incorporated FTA. The longer periods of implementation of the tariff liberalisation programmes applicable to the UK³⁸ and to Switzerland³⁹ for selected products, have also now been fully completed. Moreover, the customs duties abolition requirement also applying to duties of a fiscal nature has also been completed (Article 4 of the incorporated FTA).

3.10. The tariff treatment and applicable arrangements for processed agricultural products are contained in Protocol No 2 of the incorporated FTA, as modified. It covers certain processed agricultural products "subject to price compensation measures"⁴⁰ and certain products identified as "free-trade products".⁴¹ It provides that the Parties may not levy custom duties on imports of these

³⁷ For simplification, in this Factual Presentation, the term "industrial goods" is used to define the products covered by the incorporated FTA. It should be noted that specific rules apply to processed agricultural products (also covered by the incorporated FTA – Protocol No 2, as modified).

³⁸ Originally applicable to the EU, Protocol No 1 foresaw the progressive abolition of customs duties on imports of products originating in Switzerland and falling under HS Chapters 48 and 49 (paper and paperboard, and printed books, newspapers, pictures and other products of the printing industry) to be completed by 1 January 1984. For imports of lead, zinc, tungsten, molybdenum, other base metals, and magnesium (ex HS 7302, HS 7801, 7901, and 8101 through 8104), the tariff elimination programme foresaw full implementation by 1 January 1980. Special conditions for the elimination of customs duties applicable to clocks and watches imported from Switzerland were also foreseen and are now fully implemented.

³⁹ Protocol No 1 foresaw the progressive abolition of customs duties on imports of certain products originating in the UK (originally the EU) and falling under HS Sub-chapters 4418 (Builders' joinery and carpentry of wood) and 4801, 480320, 4807, 481522, 4818, and 482120 (some paper products, including newsprint, paper, and paperboard) to be completed by 1 January 1984.

⁴⁰ Protocol No 2 of the applied FTA applies to products "subject to price compensation measures" identified in Table I of Protocol No 2 and covering some yogurts (HS ex 0403 10, and HS ex 0403 90), some dairy spreads (HS ex 0405 20), some margarine (HS ex 1517 10, and HS ex 1517 90), sugar confectionery, not containing cocoa (HS 1704), chocolate and other food preparations containing cocoa (HS 1806), some preparations of cereals, flour, starch or milk, and pastry cooks' products (HS 1901, HS 1902, HS 1904, HS 1905), some preparations of vegetables, fruit, nuts or other parts of plants (HS ex 2004 10, HS ex 2005 20, HS ex 2008 11), some miscellaneous edible preparations, including instant coffee and soup (HS ex 2101 12, HS 2101 20, HS 2103 20, HS ex 2103 90, HS 2104, HS 2105, and HS ex 2106 10, and HS 2106 90), some mineral waters and aerated waters (HS ex 2202 90), some undenatured ethyl alcohol (HS ex 2208 90), and some casein (HS 3501 10, and HS ex 3501 90).

⁴¹ Protocol No 2 of the applied FTA applies to the so-called "free-trade products" identified in Table II of Protocol No 2 and covering some products of animal origin (HS 0501, HS 0502, HS 0503, HS 0505 10, HS ex 0505 90, HS 0506, HS 0507, HS ex 0508 00, HS 0509, HS 0501), some vegetables (HS 0710 40, and HS ex 0711 90), coffee (HS 0901), tea (HS 0902), mate (HS 0903), some seaweeds and other algae (HS ex 1212

products or charges having equivalent effect, including on the agricultural component (Article 1 of Protocol No 2 of the incorporated FTA, as modified). However, in order to take account of differences in the cost of the agricultural raw materials used in the manufacture of the products "subject to price compensation measures"⁴², the application by the Parties of price compensation measures is not precluded (Article 2 of Protocol No 2 of the incorporated FTA, as modified). Such price compensation measures shall take the form of an agricultural component levy upon imports of these products to take account of the differences in the cost of the following agricultural raw materials: common wheat; durum wheat; rye; barley; maize; common wheat flour; whole-milk powder; skimmed-milk powder; butter; white sugar; eggs; fresh potatoes; and vegetable fat. The modalities for Switzerland to levy an agricultural component on imports from the UK are defined in the revised paragraph 2 of Article 3 of the incorporated Protocol No 2, while the modalities for the UK to levy an agricultural component on imports from Switzerland are defined in the revised paragraph 3 of Article 3 of the incorporated Protocol No 2. The revised Protocol No 2 contains notification obligations with respect to reference prices and the Joint Committee shall, upon request, review the prices notified by the Parties (revised Article 5 of the incorporated Protocol No 2). Special provisions on administrative cooperation are laid down in the Appendix to the incorporated Protocol No 2.

3.11. With respect to agricultural products⁴³, Article 2 and Annexes 1, 2 and 3 of the incorporated AA govern the tariff commitments. Annexes 1 and 2 of the incorporated AA, listing the concessions made, respectively by Switzerland and by the EU (of which the UK was a member at the time) are modified by Appendices A and B of Annex 4 to the Agreement. The Parties' tariff concessions for the covered products are subject, in a number of cases, to an annual quantity and therefore take the form of tariff rate quotas (TRQs). More details on TRQs can be found under section 3.1.4 below and in Annex 2 to the factual presentation. For a number of products contained in Appendices A and B of Annex 4 to the Agreement, the Parties grant duty-free and quota-free access to products originating in their respective territories.⁴⁴ In the case of Switzerland, these concessions cover some live plants; some flowers; some nuts; some fruits; some mushrooms; and some preparations of vegetables and fruits.

3.12. Specific provisions applicable to trade in cheeses under HS 0406 are contained in Annex 3 to the incorporated AA (Article 3 of the incorporated AA). It foresaw a gradual liberalisation of trade between the EU and Switzerland over a five-year transition period, which had elapsed before the entry into force of the Agreement.

20), vegetables saps and extracts (HS 1302), vegetable plaiting materials and some other vegetable products (HS 1401, HS 1402, HS 1403, HS 1404 10, HS 1404 20, HS ex 1404 90), animal or vegetable fats and oil and their cleavage products (HS ex 1505 00, HS ex 1516 20, HS ex 1517 90, HS ex 1515 00, HS 1520, HS 1521, HS 1522), chemically pure fructose (HS 1702 50) and maltose (HS ex 1702 90), some cocoa and cocoa preparations (HS 1803, HS 1804, HS 1805), tapioca and substitutes (HS 1903), sweet corn (HS ex 2001 90, HS ex 2004 90, HS ex 2005 80, HS ex 2006 00, some jams and prepared fruits (from HS 2007 and HS 2008), some edible preparations (from HS 2101, HS 2102, HS 2103, and HS 2106), and some beverages and spirits (from HS 2201, HS 2202, HS 2203, HS 2205, HS 2207, HS 2208, and HS 2209).

⁴² Table I of the incorporated Protocol No 2.

⁴³ For simplification, in this Factual Presentation, the term "agricultural products" is used to define the products covered by the incorporated AA. It should be noted that specific rules apply to processed agricultural products (covered by the incorporated FTA – Protocol No 2, as modified).

⁴⁴ Duty-free and quota-free concessions by Switzerland cover some live plants and cut flowers; some vegetables and fruits, in various forms, including flour, powder, or juice, classified under the following tariff lines: HS 0602 10 00; 0602 20 51; 0602 20 59; 0602 20 79; 0602 20 89; 0602 30 00; 0602 40 10; 0602 40 91; 0602 40 99; 0602 90 11; 0602 90 12; 0602 90 19; 0602 90 91; 0602 90 99; 0603 12 30; 0603 13 30; 0603 14 30; 0603 19 30; 0603 19 31; 0603 19 39; 0709 51 00; 0709 59 00; ex0710 80 90 (certain frozen mushrooms); 0802 21 90; 0802 22 90; ex0802 90 90 (pine nuts, fresh or dried); 0805 10 00; 0805 20 00; 0807 11 00; 0807 19 00; 0810 50 00; 0910 20 00; 2002 90 10; 2002 90 21; 2002 90 29; 2005 60 10; 2005 60 90; 2005 70 10; 2005 70 90; 2008 30 90; 2008 70 10; and 2008 70 90. Duty-free and quota-free concessions by the UK cover some live plants and cut flowers; some mushrooms; and some vegetables and fruits, in various forms, including flour, powder, or juice, classified under the following tariff lines: HS 0602; 0603 11 00; 0603 12 00; 0603 13 00; 0603 14 00; 0603 19; 0709 51 00; 0709 59; 0710 80 61; 0710 80 69; 0712 90; 1106 30 90; ex2002 90 91 and ex2002 90 99 (powdered tomatoes); 2003 90 00; ex2005 91 00 and ex2005 99 (powdered preparations of vegetables); ex2008 30, ex2008 40, ex2008 50, ex2008 70, ex2008 80, ex2008 99 (some flaked or powdered fruits); ex2009 19, ex2009 21 00, ex2009 29, ex2009 31, ex2009 39, ex2009 41, ex2009 49, ex2009 71, ex2009 79, and ex2009 80 (some powdered fruit juices).

3.1.3.1 The United Kingdom

3.13. The Agreement incorporates the tariff commitments made by the EU (when the UK was a member of the EU) in the Switzerland-EU Trade Agreements. These commitments foresaw the abolition of customs duties and other charges applied by the UK on imported products originating in Switzerland, in accordance with the corresponding schedule of elimination. At the entry into force of the Agreement, the UK's tariff elimination under the incorporated FTA and AA had been fully implemented. Thus, the Agreement makes no changes with regard to tariff commitments made and implemented under the Switzerland-EU Trade Agreements.

3.14. The UK's applied MFN tariff in 2021 consisted of 9,494 lines at the eight-digit level (HS 2017). 90.72% of the tariff rates were *ad valorem* and 881 lines had non-*ad valorem* tariffs.⁴⁵

3.15. Table 3.1 shows tariff elimination commitments by the UK under the Agreement. A comparison is made between these tariffs resulting from the implementation of the Agreement and the corresponding MFN tariffs that are applicable to these products. All tariff elimination commitments made by the UK with respect to Switzerland (because the UK was a member of the EU before 2021), had been implemented as a result of implementation of the Switzerland-EU Trade Agreements. The following tables should therefore be read bearing this in mind.

3.16. In 2021, 4,462 lines were duty free on an MFN basis, representing 47% of the UK's tariff, corresponding to 88.1% of its imports from Switzerland during 2018-2020. Under the Agreement, the UK had liberalized an additional 3,238 lines (34.1% of the UK's tariff) for imports from Switzerland. This results in 81.1% of the UK's tariff being duty free, corresponding to 99.7% of all its imports from Switzerland during the period 2018-2020.⁴⁶ 1,794 tariff lines remain dutiable, representing 18.9% of the UK's tariff and corresponding to 0.3% of its imports from Switzerland during 2018-2020.

Table 3.1: United Kingdom: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Tariff lines in UK's tariff schedule		UK's imports from Switzerland (2018-20) ^a	
	Number	%	Value (USD million) ^b	%
2021 (MFN)	4,462	47.0	14,461.4	88.1
2021	3,238	34.1	1,909.1	11.6
Remain dutiable	1,794	18.9	43.3	0.3
TOTAL	9,494	100.0	16,413.8	100.0

a Import coverage is for HS chapters 1-97. It includes imports from Liechtenstein.

b The import values were reported in GBP and converted into USD using the exchange rates of 0.749531540259847(2018), 0.783445110011929 (2019) and 0.779999576697153 (2020).

Note: Tariff lines subject to in-quota rates are excluded in the computation.
Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by UK.

3.17. Table 3.2 shows the UK's tariff elimination, by HS section. The 1,794 lines excluded from tariff elimination are found in sections I (live animals); II (vegetable products), III (animal or vegetable fats and oils), IV (prepared food) and VI (chemicals). These correspond to HS Chapters 1-4, 6-12, 15-17, 20-24, 29, 35 and 38, with preferential rates lower than the MFN rates for Chapters 17 (Sugar and sugar confectionary); 20 (preparations of vegetables, fruit, nuts or other parts of plants); and 22 (beverages, spirits and vinegar) as depicted in Chart 3.1.⁴⁷ For other chapters where the MFN

⁴⁵ 647 lines with specific duties, 230 with compound duties, and 4 with mixed duties.

⁴⁶ In comparison around 18.2% of the EU tariff remains dutiable for imports from Switzerland in 2021, the difference due to the larger share of MFN duty free lines in the UK tariff, as compared to the EU tariff.

⁴⁷ Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.

and preferential rates are the same, it is assumed that for lines excluded from liberalization by the Agreement the MFN rate is applied.

Table 3.2 United Kingdom: Tariff elimination under the Agreement, by HS Section

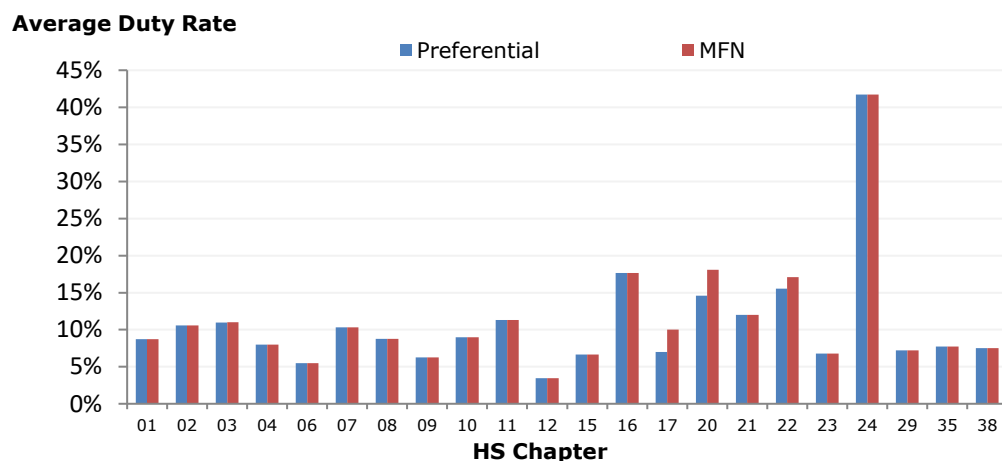
HS Section	MFN 2021			Duty Free Lines under the Agreement (2021)	Remain Dutiable	Avg. Dutiable Tariff
	Avg. Tariff (%)	No. of lines	Duty free lines			
I	8.9	956	109	79	768	10.8
II	4.4	554	213	27	314	8.7
III	4.8	129	30	9	90	6.6
IV	12.9	869	119	152	598	15.8
V	0.4	231	202	29		
VI	2.7	1,226	550	652	24	7.5
VII	3.7	301	86	215		
VIII	1.4	130	73	57		
IX	1.1	235	189	46		
X	0.0	195	195			
XI	7.0	1,149	243	906		
XII	7.3	106	17	89		
XIII	2.0	234	162	72		
XIV	0.5	58	47	11		
XV	0.6	955	804	151		
XVI	0.7	1,338	981	357		
XVII	3.7	286	121	165		
XVIII	0.6	299	218	81		
XIX	1.4	22	7	15		
XX	1.4	214	89	125		
XXI	0.0	7	7			
Total	3.8	9,494	4,462	3,238	1,794	11.7

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included.

For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.

Source: WTO estimates based on data provided by the UK.

Chart 3.1 The United Kingdom: Average of dutiable rates on excluded lines, by HS Chapter



Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included.

For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.

Source: WTO estimates based on data provided by the UK.

3.1.3.2 Switzerland / Liechtenstein

3.18. The Agreement incorporates the tariff commitments made by Switzerland⁴⁸ in the context of the Switzerland-EU Trade Agreements.⁴⁹ These commitments foresaw the abolition of customs duties and other charges applied by Switzerland to imported products originating in the UK, in accordance with the corresponding schedule of elimination. At the entry into force of the Agreement, Switzerland's tariff elimination under the incorporated FTA and the incorporated AA had been fully implemented. Thus, with regard to tariff elimination commitments, the Agreement makes no changes with regard to commitments made and implemented under the Switzerland-EU Trade Agreements.

3.19. Switzerland's applied tariff in 2021 consisted of 8,525 lines at the eight-digit level (HS 2017).⁵⁰ 73.14% of the tariff rates were *non-ad valorem* (specific duties) and 2,290 were *ad valorem*.⁵¹ As the Swiss tariff comprises essentially specific duties, the WTO Secretariat has calculated *ad valorem* equivalents (AVEs). On the MFN AVEs calculations in the context of the Trade Policy Review of Switzerland/Liechtenstein were used; AVEs for the MFN rate are also used if the MFN rate is equal to the preferential rate. With respect to preferential AVEs, these were calculated as the ratio of import values to import quantities/volumes by Switzerland in 2020 (at the HS 8-digit level). If no import data were available in 2020, 2019 data were used.

3.20. Table 3.3 shows tariff elimination commitments by Switzerland under the Agreement. A comparison is made between these tariffs resulting from the implementation of the Agreement and the corresponding MFN tariffs that are applicable to these products. All tariff elimination commitments made by Switzerland with respect to the UK had been implemented as a result of implementation of the Switzerland-EU Trade Agreements (when the UK was a member of the EU). The following tables should therefore be read bearing this in mind.

3.21. In 2021, 2,334 lines were duty free on an MFN basis, representing 27.4% of Switzerland's tariff, corresponding to 74.5% of its imports from the UK during 2018-2020. Under the Agreement, Switzerland had liberalized an additional 4,603 lines (54% of Switzerland's tariff) for imports from the UK. This results in 81.4% of Switzerland's tariff being duty free, corresponding to 99.7% of imports from the UK during the period 2018-2020.⁵² 1,588 tariff lines remain dutiable, representing 18.6% of Switzerland's tariff and corresponding to 0.3% of imports from the UK during 2018-2020.

Table 3.3 Switzerland: Tariff elimination commitments under the Agreement and corresponding average trade

Duty phase-out period	Number of lines	% of total lines in Switzerland's tariff schedule	Value of Switzerland's imports from the UK (2018-2020) USD million	% of Switzerland's total imports from the UK (2018-2020)
2021 (MFN)	2,334	27.4	14,799.3	74.5
2021	4,603	54.0	4,994.2	25.1
Remain dutiable	1,588	18.6	65.9	0.3
TOTAL	8,525	100.0	19,859.4	100.00

Note: Tariff lines subject to in-quota rates at the MFN level and under the Agreement are excluded in the computation.
The import values were reported in CHF and converted into USD using the exchange rates of 0.98(2018), 0.99 (2019) and 0.94 (2020).
Based on the HS 2017 nomenclature.

Source: WTO estimates based on data provided by the Swiss authorities.

⁴⁸ Also covering Liechtenstein as a consequence of the customs union between Switzerland and Liechtenstein.

⁴⁹ According to the Additional Agreement, these provisions apply also to Liechtenstein, (as adapted in particular for Annexes 7, 8 and 12 to the incorporated AA).

⁵⁰ Excluding the in-quota tariff lines at the MFN level and those under the Agreement.

⁵¹ In fact, all these tariff lines are duty free, so they could also be considered as specific duties corresponding to zero (unit).

⁵² In comparison around 18.3% of Switzerland's tariff remains dutiable for imports from the EU in 2021; the difference due to the slightly smaller share of dutiable lines with respect to the UK, as compared to the EU.

3.22. Table 3.4 shows Switzerland's tariff elimination, by HS section with regard to the UK. The 1,588 lines that remain subject to duties, are found in sections I (live animals); II (vegetable products), III (animal or vegetable fats and oils), IV (prepared food) and VI (chemicals), with average final dutiable tariffs ranging from 8.1% to 59% with differences between the MFN rate and the preferential rate in HS Chapters 4, 7, 15, 17 through 22, and 28, as illustrated by Chart 3.2 below.⁵³

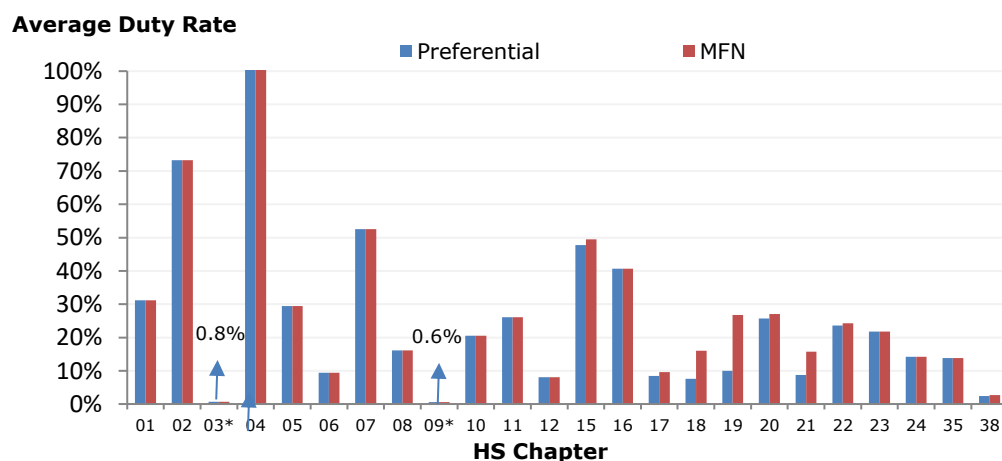
Table 3.4 Switzerland: Tariff elimination under the Agreement, by HS Section

HS Section	MFN average %	Number of lines	Duty-free lines under MFN 2021	Number of duty-free lines under the Agreement	Remaining dutiable lines	Avg. Final Tariff (Dutiable) %
				2021		
I	29.4	485	222	23	240	59.0
II	22.3	1,049	187	46	816	30.3
III	29.1	197	71	7	119	47.8
IV	16.5	627	119	107	401	17.9
V	0.7	183	121	62		
VI	1.3	1,091	461	618	12	8.1
VII	2.3	243	36	207		
VIII	1.3	74	15	59		
IX	2.8	153	16	137		
X	7.0	182	28	154		
XI	2.9	1,098	542	556		
XII	2.6	60		60		
XIII	3.1	165	3	162		
XIV	0.5	61	17	44		
XV	2.0	906	44	862		
XVI	0.7	1,252	273	979		
XVII	1.5	241	30	211		
XVIII	0.5	241	102	139		
XIX	1.0	26		26		
XX	2.1	181	39	142		
XXI	0.1	10	8	2		
Total	7.2	8,525	2,334	4,603	1,588	32.4

Note: The majority of Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents were estimated by the Secretariat. Tariff lines subject to in-quota rates at the MFN level and under the Agreement are excluded in the computation.
 AVEs are calculated as the ratio of specific duties to import unit values, estimated by the ratio of import values to import quantities/volumes in 2020 (at the HS 8-digit level). If no import data were available in 2020, 2019 data were used.
 Based on the HS 2017 nomenclature.

Source: WTO estimates based on data from the Swiss authorities and WTO-IDB database.

Chart 3.2 Switzerland: Average of dutiable rates on excluded lines, by HS Chapter



⁵³ Only the out-of-quota duty is included in the tariff-related calculations.

Note: The majority of Switzerland's tariff is subject to specific duties for which ad valorem equivalents were estimated by the Secretariat. Tariff lines subject to in-quota rates at the MFN level and under the Agreement are excluded in the computation. Based on the HS 2017 nomenclature.

Source: WTO estimates based on data from the Swiss authorities and the WTO-IDB database.

3.1.4 Tariff rate quotas

3.23. The Parties' tariff commitments for a number of agricultural products are made through TRQs. Annexes 1 and 2 of the incorporated AA are modified by Appendixes A and B of Annex 4 to the Agreement. The TRQs administered by Switzerland and by the UK are resized (as compared to the quantities initially indicated in the Switzerland-EU AA), taking into account historic flows, to reflect the fact that the UK is a smaller trade partner than the EU-28.

3.24. The incorporated provisions on TRQs are silent on the method to be applied by the Parties to administer their commitments. However, Article 8 of the incorporated AA establishes that the Parties shall exchange all relevant information regarding the implementation and application of the incorporated AA.

3.25. Annex 2 to the factual presentation identifies the products subject to TRQ commitments by each Party, as well as the maximum quantities that may be imported annually under the preferential in-quota rate. The in-quota duty for the majority of products is zero while the out of quota duty is the current applied MFN duty.

3.2 Rules of origin⁵⁴

3.26. Protocol No 3 to the incorporated FTA⁵⁵ lays down the rules of origin applicable to trade relations between Switzerland and Liechtenstein and the EU, which were applicable when the UK was a member of the EU. Under that previous context, reference was made to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin. As the UK is not a Party to that Convention, the approach followed in the Agreement has been adjusted although Annexes I to IV(b) of the pan-Euro-Mediterranean Convention have been incorporated. The provisions on rules of origin applicable to the Agreement are contained in an Appendix to Annex 1 to the Agreement, which replaces Protocol No 3 (concerning the definition of the concept of "originating products" and methods of administrative cooperation) of the incorporated FTA (hereinafter referred to as the "new Protocol No 3").⁵⁶ Title I contains general provisions, essentially definitions, while Title II contains disciplines for the definition of the concept of "originating products" for the Agreement's implementation purposes.⁵⁷ Title III refers to territorial requirements. Title IV covers drawback or exemption. Title V addresses proof of origin. Title VI contains arrangements for administrative cooperation, and Title VII final provisions. Three Annexes complement the disciplines on rules of origin contained in the New Protocol No 3, which is also complemented by a Joint Declaration concerning a trilateral approach to rules of origin.⁵⁸

3.27. A product qualifies as originating when it:

- a. is wholly obtained in a Party as defined in Article 5 of the New Protocol No 3; or

⁵⁴ The Parties communicate that, on 1st September 2021 the UK and Switzerland provisionally applied an updated Protocol on Rules of Origin. This will be notified to the WTO Committee on Rules of Origin after full entry into force.

⁵⁵ The rules of origin applicable under Annexes 1, 2 and 3 to the incorporated AA shall be set in Protocol No 3 to the incorporated FTA (Article 4 of the incorporated AA, recalled in the in the Preamble of the Additional Agreement).

⁵⁶ The rules of origin contained in the New Protocol No 3 are applicable to the products covered by the incorporated FTA and by the incorporated AA.

⁵⁷ Annex 4 to the incorporated Protocol clarifies the non-applicability of the Protocol and its impact on Ceuta and Melilla, while Annex 7 to the Agreement contains joint declarations concerning the Principality of Andorra and the Republic of San Marino.

⁵⁸ Taking this Joint Declaration into account and in order to maintain the cumulation possibilities as far as possible, the Switzerland-UK Trade Joint Committee adopted new rules of origin with Decision 2/2021. These are applied provisionally since 1.9.2021 until the approval procedures of both parties have been completed.

- b. has undergone sufficient working or processing, either in the UK or in Switzerland, as defined in Article 6 of the New Protocol No 3.

3.28. Article 5 of the New Protocol No 3 defines what confers the quality of being wholly obtained in one of the Parties.

3.29. The conditions for products being "sufficiently worked or processed" are contained in Article 6 of the New Protocol No 3. Products that are not wholly obtained can be considered to have undergone sufficient production and qualify as originating if they meet these conditions and Annex II to the pan-Euro-Mediterranean Convention (List of working or processing required to be carried out on non-originating materials in order for the product manufactured to obtain originating status), which is incorporated. In a limited number of cases, the only condition to be met is to be wholly obtained in a Party.⁵⁹ A change in tariff classification (CTC) resulting from manufacture in one of the Parties is the main criterion for a product to qualify as originating. Used alone or combined, usually with a change in tariff heading (CTH), the value of non-originating material used in a product is often used as an alternative criterion for products classified in a large number of HS Chapters. The added-value criteria is used either as a single, cumulative or alternative condition and varies between 20% and 50%. For some products a specific manufacturing or processing operation can confer origin, either as a unique criterion or combined with an alternative criterion.⁶⁰

3.30. A *de minimis* tolerance rule of 10% of the ex-works price of the product is applicable to non-originating materials used in the production of a product, except with respect to products falling within HS Chapters 50 to 63 (textiles and apparel products), for which the tolerance rule is not applicable. However, specific tolerances are provided for by the Introductory Note 6 of the incorporated Annex I of Appendix I to the PEM Convention.

3.31. Regardless of whether the above-mentioned requirements are satisfied, a number of operations are considered as insufficient working or processing to confer the status of originating products as listed in Article 7 of the New Protocol No 3.

3.32. Articles 8 through 14 of the New Protocol No 3 contain disciplines on the unit of qualification; accessories, spare parts and tools; sets; neutral elements. The rules governing principle of territoriality, direct transport and exhibitions are contained in Articles 12 through 14 of the New Protocol No 3.

3.33. Prohibition of drawback of, or exemption from, customs duties are governed by Article 15 of the New Protocol No 3. The prohibition does not preclude the application of an export refund system for agricultural products, applicable upon export in accordance with the provisions of the Agreement, in particular the incorporated AA. The disciplines on prohibition of drawback of customs duties also apply in respect of packaging, accessories, spare parts and tools, as well as products in a set, when such items are non-originating.

3.34. The provisions on proof of origin are comparable to those applicable between Switzerland and the EU. In particular, Articles 16 through 31 of the New Protocol No 3 cover aspects such as: general requirements for proof of origin, procedures for issuing a movement certificate EUR.1 or EUR-MED; movement certificates EUR.1 or EUR-MED issued retrospectively; issue of a duplicate movement certificate EUR.1 or EUR-MED; issue of movement Certificates EUR.1 or EUR-MED on the basis of a proof of origin previously issued or completed; accounting segregation; conditions for making out an origin declaration or an origin declaration EUR-MED; approved exporter; validity of proof of origin; supporting documents; preservation of proof of origin and supporting documents; discrepancies and formal errors; and amounts expressed in Euro.

3.35. Cumulation of origin is governed by Article 3 of the New Protocol No 3, for products to be deemed originating in the UK and by Article 4 of the New Protocol No 3, for products to be deemed originating in Switzerland. Both bilateral and diagonal cumulations are foreseen under certain conditions.

⁵⁹ This is particularly the case for goods classified under HS Chapters 1-10, sometimes, for a limited number of specific items, with additional criteria (value added content or required processing operation).

⁶⁰ This is the case particularly for chemical and textiles products.

3.36. Products shall be considered as originating in the UK if they are obtained there, incorporating materials originating in Switzerland (including Liechtenstein), Iceland, Norway, Türkiye, or the EU⁶¹, provided that there is more than insufficient working or processing. Products shall be considered as originating in Switzerland if they are obtained there, incorporating materials originating in the UK, Iceland, Norway, Türkiye, or the EU⁶², provided that there is more than insufficient working or processing. For both Parties, cumulation is also possible with input materials originating in the following countries: Algeria; Egypt; Israel; Jordan, Lebanon; Morocco; the Palestinian authority; Syria; Tunisia; Albania; Bosnia and Herzegovina; North Macedonia; Montenegro; Serbia; Kosovo⁶³; the Faroe Islands⁶⁴; Moldova; Georgia; and Ukraine, provided that the working or processing carried out in either Switzerland or the UK goes beyond minimal operations not conferring origin. With respect to cumulation in the UK, where the value added in the above-mentioned countries exceeds the value of materials used that originate in other countries and the working or processing carried out in the UK does not go beyond insufficient working or processing referred to in Article 7. In case the working or processing in one of the Parties does not go beyond minimal operations, the product obtained is considered as originating in one of the Parties only if the value added there is greater than the value of the use input materials. These cumulation rules may be applied only if a preferential trade agreement (in accordance with Article XXIV of the GATT 1994) is applicable between the countries involved in the acquisition of originating status and the country of destination. The Parties shall provide each other with details of these preferential trade agreements, including their dates of entry into force, and their corresponding rules of origin, which are applied with the other above-mentioned countries.

3.37. Arrangements for administrative cooperation⁶⁵ agreed by the Parties under Title VI of the New Protocol No 3 include providing each other with specimen impressions of stamps used in their customs offices and addresses of the customs authorities responsible for verifying proofs or origin. Cooperation and assistance are also to be provided for verification of proofs of origin. Disputes which may arise in relation to the verification procedures (contained in Article 33 of the New Protocol No 3) which cannot be settled between the customs authorities or questions which may be raised as to the interpretation of the New Protocol No 3, shall be submitted to the Joint Committee. The settlement of disputes between an importer and the customs authorities of the importing Party shall however take place under the legislation of that Party. The Agreement foresees that the Parties enforce penalties in cases of presentation of fraudulent documents or the submission of incorrect information.

3.38. With respect to free zones, the Parties commit to take all necessary steps to ensure that products traded under cover of a proof of origin which, in the course of transport, use a free zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration. In case a product undergoes treatment or processing, while imported into a free zone, a new movement certificate (EUR.1 or EUR-MED) shall be issued by the authorities.

3.39. Two Joint Declarations complement the New Protocol No 3. A Joint Declaration (Annex B to the New Protocol No 3) confirms that industrial products (under Chapters 25-97 of the HS) originating in the Principality of Andorra and meeting the conditions of Articles 3, para.7b and 4, para.5b of the New Protocol No 3, shall be accepted by the Parties as originating in the EU within the meaning of the incorporated FTA and AA. A similar Joint Declaration concerning the Republic of San Marino, is also attached to the New Protocol No 3 (Annex C to the New Protocol No 3).

3.40. A Joint Declaration concerning a trilateral approach to the rules of origin was adopted in relation to the New Protocol No 3. It states that, in advance of trade negotiations between the EU

⁶¹ Working or processing carried out in Iceland, Norway or the EU shall be considered as having been carried out in the UK also when the products obtained undergo subsequent working or processing in the UK that goes beyond "minimal operations". When this is not the case, the product obtained shall nevertheless be considered as originating in the UK only where the value added in the UK exceeds value added in any of the other countries.

⁶² Working or processing carried out in Iceland, Norway or the EU shall be considered as having been carried out in the UK also when the products obtained undergo subsequent working or processing in the UK that goes beyond "minimal operations".

⁶³ Reference to Kosovo shall be understood to be in the context of the United Nations Security Council resolution 1244 (1999).

⁶⁴ Represented by Denmark.

⁶⁵ In particular in Articles 32 through 36 of the New Protocol No 3.

and the UK, the Parties recognise that a trilateral approach to the rules of origin, involving the EU, is the preferred outcome in trading arrangements between themselves and the EU. The Parties affirm that this approach would replicate coverage of trade flows at the time the Agreement was negotiated and allow for continued recognition of originating content from either the UK, Switzerland or the EU in exports to each other, as per the intention of the Switzerland-EU Trade Agreements. In this regard, the Parties understand that any bilateral arrangement between them represents a first step towards this outcome. In the event of an agreement between the UK and the EU, the UK and Switzerland approve taking urgent necessary steps, to update the New Protocol No 3 to reflect a trilateral approach to the rules of origin involving the EU. The necessary steps will be taken in accordance with the procedures of the Joint Committee contained in the New Protocol No 3.⁶⁶

3.41. The incorporated GSP Letters⁶⁷, as modified, acknowledge that each Party applies similar rules of origin, for the purposes of the Generalised System of Preferences (GSP), with the following general principles: (i) same criteria for definition of originating products; (ii) provision for regional cumulation of origin; (iii) provisions for applying cumulation to materials which originate, in terms of the GSP-rules, in the UK, the EU, Switzerland or Norway; (iv) tolerance for non-originating materials (de minimis tolerance); (v) provisions for direct transport of goods from the beneficiary country; (vi) provisions for the issuance and acceptance of replacement certificates; and (vii) requirement for administrative cooperation, with the competent authorities in the beneficiary countries, on certificates of origin (Form A). Moreover, except for agricultural products, the Parties recognise that materials originating in the UK, the EU, Switzerland or Norway (in terms of the GSP-rules), which, in a GSP-beneficiary country, have been processed and incorporated into a product originating in a GSP-beneficiary country, shall be considered as originating in that beneficiary country.

3.3 Export duties and charges, and quantitative restrictions

3.42. The Agreement incorporates the provisions of the incorporated FTA on export duties and charges, and quantitative restrictions, which under Articles 7 and 13a of the incorporated FTA stipulates that the Parties shall not introduce and shall abolish all customs duties or charges having equivalent effect, or quantitative restrictions or measures having equivalent effect applicable to exports between themselves.⁶⁸

3.4 Regulatory provisions of the agreement

3.4.1 Standards

3.43. While the incorporated FTA does not contain any specific provision on standards, the incorporated mutual recognition agreement (MRA) has TBT-related provisions (see below). The incorporated AA also addresses the matter, in particular, on SPS-related disciplines (see below), through its incorporated Article 5 and Annexes to the incorporated AA, which outlines the way technical obstacles to trade in agricultural products are to be reduced.

3.4.1.1 Sanitary and phytosanitary measures

3.44. Disciplines of the Switzerland-EU Trade Agreements that are related to Sanitary and Phytosanitary measures (SPS) are contained in the incorporated AA, in particular in Annexes 4 (on plant health); 5 (on animal feed); 6 (on seeds); and 11 (on animal health). However, while the specific TBT- and GI-related disciplines in Annexes 7 (trade in wine-sector products); 8 (mutual

⁶⁶ The Parties indicate that the results of the trilateral approach are reflected by Decision 2/2021 of the Switzerland-UK Trade Joint Committee. With this decision, new rules of origin were adopted, which are to restore the cumulation possibilities before 1.1.2021 as far as possible. These new rules of origin have been applied provisionally since 1.9.2021. The Parties will send a corresponding notification to the WTO as soon as the internal approval procedures of both Parties have been completed.

⁶⁷ The "Agreement in the form of an Exchange of Letters between the European Community and each of the EFTA countries that grants tariff preferences under the GSP (Norway and Switzerland)" was done at Brussels on 14 December 2000 and entered into force in early 2001.

⁶⁸ The deadline for the abolition of customs duties on exports and charges having equivalent effect was 1 January 1974, except for those covered by Annex IV to the incorporated FTA, which were abolished by 1 January 1993. The deadline for the abolition of quantitative restrictions on exports or measures having equivalent effect was 1 January 1990, except for those applied on 1 January 1989 to products listed in Protocol 6 of the incorporated FTA, which were eliminated by 1 January 1993.

recognition and protection of names of spirit drinks and aromatised wine-base drinks); 10 (recognition of conformity checks for fruit and vegetables subject to marketing standards); and 12 (protection of designations of origin and geographical indications for agricultural products and foodstuffs) are maintained and incorporated, with few modifications⁶⁹, the above-mentioned SPS-related Annexes 4, 5, 6 and 11 are suspended (Article 1, paragraph 2(a) of the Agreement), as application would require equivalent or harmonisation with EU laws and systems.

3.45. Annex 7 of the incorporated AA (on wine-sector products) contains some SPS-related provisions (see section 3.5.2 below).

3.4.1.2 Technical barriers to trade

3.46. The Agreement incorporated, with some modification, the provisions of the *Mutual Recognition Agreement* ("the incorporated MRA"), which builds on the provisions of the WTO TBT agreement.

3.47. While most of the provisions of the incorporated MRA are preserved, its scope is more limited as 17 product sectors⁷⁰ (out of 20 covered by the incorporated MRA) are suspended (Article 1, paragraph 2(b) of the Agreement). As in the case of SPS-related measures (see above), the Parties have agreed to examine and assess the level of divergence or alignment between their domestic legislation, in the areas covered. They may decide to apply the suspended provisions, with or without modifications, or replace those provisions.

3.48. The Parties nevertheless agree to transition three product Chapters of the incorporated MRA with some modifications⁷¹ covering motor vehicles (Chapter 12 of Annex I to the incorporated MRA); good laboratory practice – GLP (Chapter 14); and medicinal products, good manufacturing practice – GMP (Chapter 15).

3.49. The incorporated MRA establishes a procedure for the recognition by the Parties of conformity assessment bodies in relation to the requirement set out for the covered sectors (Article 11 of the incorporated MRA). The Parties agree that the recognized bodies fulfil the conditions of eligibility to assess conformity (Article 5 of the incorporated MRA). The Parties also undertake to ensure that their designating authorities have the necessary power and competence to designate conformity assessment bodies (Article 6 of the incorporated MRA). It also sets disciplines for the verification of designation procedures, and of compliance by conformity assessment bodies (Articles 7 and 8 of the incorporated MRA). Cooperation between the Parties must ensure the proper implementation of the Agreement (Article 9 of the incorporated MRA).

3.50. A Committee on mutual recognition in relation to conformity assessment is also established under Article 10 of the incorporated MRA. That Committee shall also assess the equivalence of technical regulations of the Parties in the sectors under the scope of the incorporated MRA and decide whether they fall under or outside of its scope.

3.51. Modified rules on information exchange and increased transparency are contained in the revised Article 12 of the incorporated MRA. Moreover, each Party shall immediately notify the other Party of safeguard measures taken in its territory while Article 13 on confidentiality of the incorporated MRA, which covers motor vehicles, GLP and medicinal products, and good manufacturing practice – GMP, is retained without modification.

⁶⁹ With respect to Liechtenstein, the Annex to the Additional Agreement makes adjustments and additions concerning Annexes 7, 8 and 12 to the incorporated AA.

⁷⁰ Provisions on the following product sectors are "suspended": machinery, personal protective equipment, toys, medical devices, gas appliances and boilers, pressure vessels, radio equipment and telecommunications terminal equipment, equipment and protective systems intended for use in potentially explosive atmosphere, electrical equipment and electromagnetic compatibility, construction plant and equipment, measuring instruments and pre-packages, agricultural or forestry tractors, construction products, lifts, biocidal products, cableway installations, and explosives for civil use.

⁷¹ Annex 1 to the incorporated MRA is divided into sectoral chapters. Each chapter is subdivided into sections as follows: I (legislative, regulatory and administrative provisions); II (conformity assessment bodies); III (designating authorities); IV (special rules relating to the designation of conformity assessment bodies; and V (any additional provisions).

3.52. Dispute settlement relating to the interpretation or application of the incorporated MRA shall be addressed by the Committee on mutual recognition in relation to conformity assessment as feasible (Article 14 of the incorporated MRA).

3.53. MRAs concluded by either Party with another country shall in no circumstance entail an obligation upon the other Party in terms of the acceptance of manufacturer's declarations of conformity as well as of reports, certificates, authorisations and marks issued by conformity assessment bodies in that third country, unless there is an explicit agreement between the Parties (Article 15 of the incorporated MRA).

3.54. The Joint Declaration on the Mutual Recognition of Good Clinical Practice and Inspections, by the parties to the incorporated MRA, shall also apply to the Parties, with the same legal effect, *mutatis mutandis*. It stipulates that, for medicinal products, the results of clinical trials in the territories of the Parties are currently accepted for inclusion in applications for marketing authorisations and their variations or extensions. In principle, the Parties agree to continue to accept these clinical trials for the purpose of marketing authorisation applications. They agree to work towards an approximation of good clinical practices, namely by implementing the current Declarations of Helsinki and Tokyo, and all guidance relevant to clinical trials adopted in the framework of the International Conference on Harmonisation.

3.55. Annex 7 of the incorporated AA (on wine) and Annex 10 of the incorporated AA, (on recognition of conformity checks for fresh fruit and vegetables subject to marketing standards contains some TBT-related provisions (see sections 3.5.2 and 3.5.4 below).

3.4.2 Safeguard mechanisms

3.56. The Agreement includes relevant provisions of the incorporated FTA governing the possibility for the Parties to take safeguard measures.

3.57. Trade remedies is identified as an area that may be considered in exploratory discussions aimed at replacing, modernising or developing the Agreement between the Parties (Article 8 of the Agreement).

3.4.2.1 Global safeguards

3.58. There is no specific reference in the Agreement and/or any of the incorporated Agreements, to WTO disciplines on the use of global safeguard measures.

3.4.2.2 Bilateral safeguards

3.59. Article 24 of the incorporated FTA addresses the situation when an increase in imports of a product originating in a Party is, or is likely to be, seriously detrimental to any production activity carried on in the other Party and where this increase is due to the implementation of the tariff elimination programme and that customs duties levied by the exporting Party on raw materials or intermediate products used in the manufacture of the product in question are significantly lower than the corresponding duties or charges levied by the importing Party. Safeguard measures could also be taken if serious disturbances arise in any sector of the economy of a Party or if difficulties arise which could bring about serious deterioration in the economic situation of a region. In that case, the Party concerned may also eventually take appropriate measures under the conditions and in accordance with the procedures laid down in Article 27 of the incorporated FTA. Notification of intended measures, provision of relevant information and data, and requirements to conduct consultations under the auspices of the Joint Committee are also foreseen under the incorporated provisions. In case a solution acceptable to both Parties is not found, a Party may adopt a safeguard measure and may withdraw tariff concessions. Priority must nevertheless be given to measures which least disturb the functioning of the Agreement. Any compensatory charge on the product imported shall be calculated according to the incidence on the value of the goods in question of the tariff disparities in respect of the raw materials or intermediate products incorporated therein. Where exceptional circumstances requiring immediate action make prior information or examination impossible, the Party concerned may apply forthwith such precautionary measures as are strictly necessary to remedy the situation and shall inform the other Party immediately. Measures taken to

remedy the problem must not exceed the scope of what is necessary to remedy the difficulties which have arisen.

3.4.2.3 Specific safeguards for agriculture

3.60. A specific safeguard mechanism is established for TRQ concessions granted by the Parties on agricultural products (Article 10 of the incorporated AA and Annexes 1-3 to the incorporated AA, as modified). Having regard to the special sensitivity of the agricultural markets of the Parties, and when imports of products originating in one Party cause or threaten to cause a serious disturbance in the market of the other, the Parties shall immediately hold consultations to seek a suitable solution. Pending such a solution, the Party concerned may take any measures it deems necessary subject to certain procedures. Advance information on intended measures, with an explanation of the reasons are required. Similarly, information is required when a measure is actually taken. Consultations between the Parties shall start as soon as possible, with a view to finding suitable solutions. Measures which least disrupt the way the incorporated AA operates must be given priority.

3.4.2.4 Other Safeguard measures

3.61. Article 28 of the incorporated FTA also contains rules and disciplines regarding the imposition of safeguard measures in situations of balance of payments difficulties. In such cases, the necessary safeguard measures may be taken by a Party, subject to a proper information in advance to the other Party.

3.4.3 Anti-dumping measures

3.62. The Agreement incorporates the relevant provisions of the Switzerland-EU FTA governing the possibility for the Parties to take antidumping measures. Article 25 of the incorporated FTA allows a Party to take appropriate measures against a dumping practice in trade originating in the other Party. Such measure shall be taken in accordance with the WTO Agreement on implementation of Article VI of the GATT (the Antidumping Agreement). The conditions that need to be fulfilled and the procedures that need to be followed are laid down in the Article 27 of the incorporated FTA, which are broadly similar to the WTO disciplines and procedures.

3.4.4 Countervailing measures

3.63. The Agreement does not contain any specific provisions related to countervailing measures. However, Article 27 of the incorporated FTA provides for safeguard measures to deal with trade distorting public subsidies that are deemed incompatible with the proper functioning of the incorporated FTA under Article 23 of the incorporated FTA.

3.4.5 Subsidies and state-aid

3.64. The Agreement does not contain any specific rules related to subsidies and state-aid. However, Article 23 of the incorporated FTA states that any public aid which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods is incompatible with the proper functioning of the agreement.

3.4.6 Customs-related procedures

3.65. Most provisions on customs procedures are contained in the New Protocol No 3, concerning the definition of the concept of "originating products" and methods of administrative cooperation.⁷²

3.66. In addition, the incorporated AFA, as modified, contains some disciplines on the administrative and criminal prevention, detection, investigation, prosecution and repression of fraud and any other illegal activity to the detriment of the Parties' respective financial interests concerning, *inter alia*, trade in goods contrary to customs and agricultural legislation.⁷³

⁷² See above section 3.2 on rules of origin.

⁷³ For details, see Section 2.1 of the incorporated AFA.

3.67. The *Customs Security Agreement*⁷⁴ ("the incorporated CSA") is incorporated into the Agreement without modification. It is however suspended until otherwise decided by the Joint Committee.⁷⁵ It applies to inspections and formalities concerning the carriage of goods which cross a frontier between the Parties and to customs security measures applicable to the carriage of goods to or from third parties. It, however, does not apply to inspections or formalities concerning ships and aircraft as a means of transport (but does apply to vehicles and goods carried by these means of transport). The incorporated CSA contains disciplines on customs procedures, customs security measures, and customs cooperation. It establishes a Joint Committee on customs security and consultations groups may be set up if needed. Although its implementation is suspended, the Parties have agreed to examine, in the relevant Joint Committee, matters covered by the incorporated CSA and assess the level of divergence or alignment between the Parties' domestic legislation in the areas covered, in light of developments in the arrangement between each of the Parties and third parties, with the aim of ensuring continuity as far as possible of the trade arrangements between the Parties. The relevant Joint Committee may decide to apply the provisions of the incorporated CSA, with or without modifications, or replace those provisions.

3.68. Trade facilitation is identified as an area for cooperation between the Parties (Article 8 of the Agreement).

3.5 Sector-Specific Provisions of the Agreement

3.5.1 Organically produced agricultural products and foodstuffs

3.69. The Agreement incorporates some elements of the *Agriculture Agreement* ("the incorporated AA"). This does not apply to certain Annexes, including Annex 9 of the incorporated AA (on organically produced agricultural products and foodstuffs), unless otherwise decided by the relevant Joint Committee. On 1 January 2021, through its Decision 1/2001, the Joint Switzerland-UK Committee on Agriculture decided that Annex 9 to the incorporated AA shall be replaced by the text in Annex to this Decision, and the replacement text applies from 1 January 2021. The revised Annex 9 is inserted, as Appendix C, in the Agreement.

3.70. With respect to Switzerland, it applies to organically produced products from the UK⁷⁶, it provides that Switzerland shall accept the import into its territory, and the placing on the market as organic products, of organically produced products listed in Appendix I, provided that one of the UK control bodies identified in in Appendix III has certified that those products have been produced in accordance with the provisions of the organics legislation in Part 2 of Appendix IV. A covered product which is imported into Switzerland from the UK shall be accompanied by a certificate of inspection drawn up in accordance with the provisions laid down in Article 16c and Annex 9 Section A of the EAER Ordinance on Organic Farming (910.181). The certificate of inspection shall be drawn up in German, French, Italian or English.

3.71. With respect to the UK, it applies to organically produced products from Switzerland⁷⁷, it provides that the UK shall accept the import into its territory, and the placing on the market as organic products, of organically produced products listed in Appendix II, provided that those products comply with the organics legislation listed in Part 1 of Appendix IV. The UK may require that a certificate of inspection accompany a covered product which is imported into the UK from Switzerland.

3.72. The new Appendix C to the Agreement also contains provision on exchange of information and establishes a Working Group on Organic Products to consider all matters which may arise in connection with its implementation. It is intended as a transitional mechanism, which shall end 24 months after the date of the entry into force of the Agreement. Upon recommendation of the Working

⁷⁴ In this factual presentation the " *Customs Security Agreement* " refers to the *Agreement between the European Community and the Swiss Confederation on the simplification of inspections and formalities in respect of the carriage of goods and on customs security measures*, done at Brussels on 25 June 2009.

⁷⁵ The Parties indicate that they are continuing to review the function of the Customs Security Agreement in relation to their bilateral relationship. They confirm that they, in the interim, have signed a Memorandum of Understanding regarding matters of Customs Cooperation which allows them to, informally, pursue cooperation matters. They indicate that this includes trade facilitation.

⁷⁶ Categories of products listed in Appendix I of the revised Annex 9.

⁷⁷ Categories of products listed in Appendix II of the revised Annex 9.

Group on Organic Products, the Joint Committee may decide on continuous application of this Annex, with or without modifications, for an extended transitional period, or on replacement of this Annex. A Party may, at any time, notify its decision to terminate or suspend application of this Annex. Such termination or suspension shall take effect 30 days after receipt by the other Party of the notification.

3.5.2 Petroleum products

3.73. The UK reserves the right to modify the arrangements applicable to petroleum products under HS 2710, HS 2711, HS ex2712 (excluding ozokerite and lignite/peat wax), and HS 2713, upon adoption of decisions under UK commercial or energy policies for these products. Switzerland reserves the right to take similar action should it be faced with like situations. The Agreement shall however not prejudice the non-tariff rules applied to imports of petroleum products (Article 14 of the incorporated FTA).

3.5.3 Wine-sector products⁷⁸

3.74. Annex 7 of the incorporated AA, which is retained in the Agreement, contains disciplines and conditions agreed by the Parties, in accordance with the principles of non-discrimination and reciprocity, to facilitate and promote trade with each other in wine-sector products originating in their respective territories. With respect to provisions applicable to import and sale (labelling, presentation and accompanying documents), it lists technical provisions⁷⁹ relating to the definition of wine-sector products, oenological practices, the composition of the said products, their accompanying documents and the rules governing their transport and sale. With respect to mutual protection of names of wine-sector products, it also ensures the protection by the Parties of names and references to the Parties from where the wine originates; specific terms; the designation of origin and geographical indications; and traditional terms.⁸⁰ Disciplines on enforcement of protection are also applicable (Article 11 of Annex 7 of the incorporated AA). Annex 7 also contains disciplines on mutual assistance and controls of the official control bodies and general provisions, which address exclusions (for instance for products in transit or imported in small quantities⁸¹), and consultations between Parties if one considers that the other has failed to fulfil an obligation.

3.75. A Working Group on wine-sector products can be set up if needed to consider all matters which may arise in connection with Annex 7 to the incorporated AA and its implementation (Article 27 of the Annex 7 of the incorporated AA).

3.5.4 Spirit drinks and aromatised wine-based drinks⁸²

3.76. Annex 8 of the incorporated AA⁸³, which is retained in the Agreement, contains disciplines and conditions agreed by the Parties, in accordance with the principles of non-discrimination and reciprocity, to facilitate and promote trade with each other in spirit drinks and aromatised wine-based drinks originating in their respective territories. It lists the names of spirit drinks and aromatised drinks which shall be protected by each Party⁸⁴, under conditions laid down in their respective laws and regulations. The Parties agree to take all the necessary measures to ensure reciprocal protection of these names and to provide the interested parties with the legal means of preventing the use of a designation for spirit drinks or aromatised drinks not originating in the place indicated by the designation. The Parties consequently waive their right to invoke Article 24(4), (6), and (7) of the TRIPS Agreement in order to refuse to grant protection to a name from the other Party.

⁷⁸ Wine-sector products correspond to: products covered by tariff lines HS 2009 60; HS 2009 69 (for UK only); and HS 2204.

⁷⁹ The "technical provisions" are listed in Appendix 3 to Annex 7 of the incorporated AA. It consists of instruments applicable to the import into and marketing in a Party of wine-sector products originating in the other Party.

⁸⁰ As listed in Appendix 4 to Annex 7 of the incorporated AA.

⁸¹ Appendix 5 to Annex 7 of the incorporated AA lays down the applicable arrangements.

⁸² Spirit drinks and aromatised drinks (aromatised wines, aromatised wine-based drinks and aromatised wine-product cocktails) are defined in the Parties' respective legislations referred to in Appendix 5 to Annex 8 to the incorporated AA.

⁸³ With respect to Liechtenstein, the Annex to the Additional Agreement makes adjustments and additions concerning Annexe 8 to the incorporated AA.

⁸⁴ The protected names are listed in Appendixes 1-4 to Annex 8 of the incorporated AA.

3.77. Disciplines on enforcement of protection are also applicable. Annex 8 also contains disciplines on proper labelling of the products, exclusions (for instance for products in transit or imported in small quantities⁸⁵), non-compliance, transparency, and consultations between Parties.

3.78. A Working Group on Spirit Drinks can be set up if needed to consider all matters which may arise in connection with Annex 8 to the incorporated AA and its implementation (Article 17 of Annex 8 to the incorporated AA).

3.5.5 Fresh fruit and vegetables

3.79. Annex 10 of the incorporated AA, which is retained in the Agreement, governs the recognition by the UK of conformity checks for fresh fruit and vegetables by Switzerland subject to EU/UK marketing standards. When fresh fruit⁸⁶ and vegetables to be consumed fresh or dried⁸⁷, originating in Switzerland or the UK and re-exported to the UK from Switzerland are accompanied by a recognized certificate of conformity, they shall not be subject in the UK to a check of compliance with the standards before their introduction into the UK customs territory. A recognized certificate of conformity means either the form in Annex III to (EU) Commission Implementing Regulation (EU) No 543/2011⁸⁸; the Swiss form in Appendix 2 to Annex 10 of the incorporated AA; the UN/ECE form annexed to the Geneva Protocol on standardisation of fresh fruit and vegetables, nuts and dried fruit; or the OECD form annexed to the OECD Council decision on arrangements for applying international standards on fruit and vegetables. Annex 10 also contains disciplines on consignments of re-exported products, certificate of conformity, and exchange of information, including joint inspections.

3.80. Where a Party considers that the other has failed to fulfil an obligation under the Annex, consultations shall be held. When non-compliance with the standards in force is established or if delay might impair the effectiveness of fraud prevention measures or distort competition, temporary safeguard measures may be taken without prior consultations, provided that consultations are held immediately after such measures have been taken (Article 5 of Annex 10 to the incorporated AA).

3.81. A Working Group on Fruit and Vegetables can be set up if needed to consider all matters which may arise in connection with Annex 10 to the incorporated AA and its implementation (Article 6 of Annex 10 to the incorporated AA).

4 GENERAL PROVISIONS OF THE AGREEMENT

4.1 Transparency

4.1. There is no specific agreement or chapter on transparency incorporated into the Agreement. However, through the incorporated agreements, a number of transparency provisions, providing for the obligation to exchange information, notify measures, resort to consultation, and/or address matters through the various joint committees and working groups which are established by the Agreement and the incorporated Agreements, the Parties are bound to ensure transparency between them.

4.2 Current payments and capital movements

4.2. The Parties agree that payments relating to trade in goods and the transfer of such payments to the country where the creditor is resident, either the UK or Switzerland, shall be free from any restriction. Moreover, a Party shall refrain from any exchange or administrative restrictions on the grant, repayment or acceptance of short- and medium-term credits covering commercial transactions in which a resident participates (Article 19 of the incorporated FTA).

⁸⁵ Article 13 of Annex 7 of the incorporated AA lays down the applicable arrangements.

⁸⁶ With the exception of citrus fruits.

⁸⁷ in respect of which marketing standards have been laid down or are recognised by the EU as alternatives to the general standard under EU Council Regulation No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

⁸⁸ Regulation of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors.

4.3 Exceptions

4.3.1 General exceptions and Security exceptions

4.3. Articles 20 and 21 of the incorporated FTA, replicate the spirit, and to a large extent the wording, of Articles XX and XXI of the GATT 1994.

4.3.2 Taxation

4.4. The Agreement does not contain any specific provisions relating to taxation.

4.5. However, the incorporated AFA contains some disciplines on the administrative and criminal prevention, detection, investigation, prosecution and repression of fraud and any other illegal activity to the detriment of the Parties' respective financial interests concerning, inter alia, special taxes on consumption and excise duties.⁸⁹

4.4 Accession and withdrawal

4.6. There is no specific provision concerning accession to the Agreement. Article 34 of the incorporated FTA, confirmed by Article 9 however provides that a Party may denounce the Agreement in writing by notifying the other Party. The Agreement shall cease to apply twelve months after the date of the written notice given by a Party.

4.5 Institutional framework

4.7. The Agreement incorporates, and therefore replicates, to a large extent the institutional framework of the Switzerland-EU Trade Agreements.

4.8. A Joint Committee is established and is responsible for the administration of the incorporated FTA (Articles 29 through 31 of the incorporated FTA). As appropriate, working parties may be, and have been, established to assist the Joint Committee. The overseeing and decisional role of the Joint Committee is further clarified in Article 6 of the Agreement. A Joint Committee on Agriculture is also established and responsible for the administration of the incorporated AA (Article 6 of the incorporated AA). In addition, under most of the incorporated agreements, specific Joint Committees are also established and shall be responsible for administration and to ensure proper implementation of the respective incorporated agreements. Other committees and/or working groups may be set up to assist the existing Joint Committees as necessary.

4.6 Dispute settlement

4.9. Article 29 of the incorporated FTA provides that the Joint Committee will be responsible for the proper implementation of the Agreement and that it may make recommendations and take decisions in the cases provided for in the Agreement. The Joint Committee also has a role in facilitating consultations.⁹⁰

4.10. Dispute settlement is identified as an area for exploratory discussions between the Parties with the aim of replacing, modernising or developing the Agreement (Article 8 of the Agreement).

4.7 Relationship with other agreements concluded by the Parties

4.11. Each Party may establish or maintain customs unions, free trade areas or arrangements for frontier trade, except in so far as they alter the trade arrangements provided for in the Agreement, in particular the provisions concerning rules of origin (Article 17 of the incorporated FTA).

⁸⁹ For details, see Section 5.1.

⁹⁰ With respect to matters covered by the incorporated AA, either Party may bring a matter under dispute which concerns the interpretation or application of the incorporated AA to the Joint Committee on Agriculture established by Article 6 of the incorporated AA, which shall endeavour to settle the dispute, examining all possibilities to maintain the good functioning of the incorporated AA.

4.7.1 The Additional Agreement between Switzerland, the UK and Liechtenstein⁹¹

4.12. Because the Customs Treaty between Switzerland and Liechtenstein does not apply all the provisions of the Switzerland-EU FTA and of the Switzerland-EU AA to Liechtenstein, the Parties have concluded an Additional Agreement extending to Liechtenstein certain provisions of the Agreement. It applies the provisions of the incorporated FTA and the incorporated AA to Liechtenstein. However, some provisions specific to Liechtenstein concerning the Annexes to the incorporated AA are laid down in the Annex to the Additional Agreement.⁹²

4.7.2 FTA between the UK, Norway, Iceland, and Liechtenstein

4.13. While the Agreement does not refer to the European Economic Area (EEA) despite Liechtenstein's membership, on 8 July 2021, the UK concluded an FTA with Iceland, Liechtenstein, and Norway.⁹³ It makes direct reference to the provisions of the European Economic Area (EEA) Agreement, which apply to Liechtenstein. Its Article 1.4 clarifies that the provisions of the Iceland-Liechtenstein-Norway-UK FTA covered by the Additional Agreement⁹⁴, the Customs Treaty⁹⁵ and the Switzerland-Liechtenstein Patent Treaty⁹⁶, shall not apply to Liechtenstein. In case of any inconsistencies with the FTA the provisions of the Additional Agreement, the Customs Treaty, and the Switzerland-Liechtenstein Patent Treaty shall prevail.

4.7.3 Relationship with other agreements

4.14. Table 4.1 below shows the Parties' RTAs in force, notified and non-notified, other than the Agreement.

Table 4.1: United Kingdom, Switzerland, and Liechtenstein: participation in other RTAs (notified and non-notified in force), as of 28 June 2022

RTA Name	Entry into force ^a	Coverage	GATT/WTO Notification	
			Year	WTO Provision
UNITED KINGDOM				
United Kingdom – Iceland, Liechtenstein and Norway	01-Dec-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom – Mexico	01-Jun-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Serbia	20-May-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Albania	03-May-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Jordan	01-May-21	Goods	2021	GATT Art. XXIV
United Kingdom - Ghana	05-Mar-21	Goods	2021	GATT Art. XXIV
EU - United Kingdom	01-Jan-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
United Kingdom - Cameroon	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Canada	01-Jan-21	Goods	2020	GATT Art. XXIV
	01-Apr-21	Services	2021	GATS Art. V
United Kingdom - CARIFORUM States	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Central America	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V

⁹¹ "Additional Agreement between the Swiss Confederation, the United Kingdom of Great Britain and Northern Ireland and The Principality of Liechtenstein extending to the Principality of Liechtenstein certain provisions of the Trade Agreement between the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland", which is referred to in this section as "the Additional Agreement".

⁹² See details in the section above referring to tariff liberalization.

⁹³ See notification in document WT/REG459/N/1 and S/C/N/1072.

⁹⁴ Agreement of 11 February 2019 between the United Kingdom of Great Britain and Northern Ireland, the Swiss Confederation and the Principality of Liechtenstein extending to the Principality of Liechtenstein certain provisions of the Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation (Additional Agreement).

⁹⁵ Customs Treaty of 29 March 1923 between Switzerland and Liechtenstein on Accession of the Principality of Liechtenstein to the Swiss Customs Area (Customs Treaty).

⁹⁶ Treaty of 22 December 1978 between the Swiss Confederation and the Principality of Liechtenstein on Patent Protection (Switzerland-Liechtenstein Patent Treaty).

RTA Name	Entry into force ^a	Coverage	GATT/WTO Notification	
			Year	WTO Provision
United Kingdom - Chile	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Colombia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Côte d'Ivoire	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Eastern and Southern Africa States	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Ecuador and Peru	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Egypt	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Faroe Islands	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Georgia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Israel	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Japan	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Kenya	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Kosovo ^b	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Lebanon	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Morocco	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - North Macedonia	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Norway and Iceland	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Pacific States	01-Jan-21	Goods	2020	GATT Art. XXIV
• United Kingdom - Pacific States - Accession of Samoa	01-Jan-21	Goods	2020	GATT Art. XXIV
• United Kingdom - Pacific States - Accession of Solomon Islands	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Palestine	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Republic of Korea	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Republic of Moldova	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - SACU and Mozambique	01-Jan-21	Goods	2021	GATT Art. XXIV
United Kingdom - Singapore	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Tunisia	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Türkiye	01-Jan-21	Goods	2020	GATT Art. XXIV
United Kingdom - Ukraine	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
United Kingdom - Viet Nam	01-Jan-21	Goods & Services	2020	GATT Art. XXIV & GATS Art. V
SWITZERLAND / LIECHTENSTEIN				
EFTA - Indonesia	01-Nov-21	Goods & Services	2022	GATT Art. XXIV & GATS Art. V
United Kingdom - Iceland, Liechtenstein and Norway	01-Dec-21	Goods & Services	2021	GATT Art. XXIV & GATS Art. V
EFTA - Türkiye	01-Oct-21	Goods & Services	2022	GATT Art. XXIV & GATS Art. V
EFTA - Ecuador	01-Nov-20	Goods & Services	2022	GATT Art. XXIV & GATS Art. V
EFTA - Philippines	01-Jun-18	Goods & Services	2018	GATT Art. XXIV & GATS Art. V
EFTA - Georgia	01-Sep-17	Goods & Services	2017	GATT Art. XXIV & GATS Art. V
EFTA - Bosnia and Herzegovina	01-Jan-15	Goods	2015	GATT Art. XXIV
EFTA - Central America (Costa Rica and Panama)	19-Aug-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
Switzerland - China	01-Jul-14	Goods & Services	2014	GATT Art. XXIV & GATS Art. V
EFTA - Hong Kong, China	01-Oct-12	Goods & Services	2012	GATT Art. XXIV & GATS Art. V

RTA Name	Entry into force ^a	Coverage	GATT/WTO Notification	
			Year	WTO Provision
EFTA - Montenegro	01-Sep-12	Goods	2012	GATT Art. XXIV
EFTA - Ukraine	01-Jun-12	Goods & Services	2012	GATT Art. XXIV & GATS Art. V
EFTA - Colombia	01-Jul-11	Goods & Services	2011	GATT Art. XXIV & GATS Art. V
EFTA - Peru	01-Jul-11	Goods	2011	GATT Art. XXIV
EFTA - Albania	01-Nov-10	Goods	2011	GATT Art. XXIV
EFTA - Serbia	01-Oct-10	Goods	2010	GATT Art. XXIV
Japan - Switzerland	01-Sep-09	Goods & Services	2009	GATT Art. XXIV & GATS Art. V
EFTA - Canada	01-Jul-09	Goods	2009	GATT Art. XXIV
EFTA - SACU	01-May-08	Goods	2008	GATT Art. XXIV
EFTA - Egypt	01-Aug-07	Goods	2007	GATT Art. XXIV
EFTA - Lebanon	01-Jan-07	Goods	2006	GATT Art. XXIV
EFTA - Republic of Korea	01-Sep-06	Goods & Services	2006	GATT Art. XXIV & GATS Art. V
EFTA - Tunisia	01-Jun-05	Goods	2005	GATT Art. XXIV
EFTA - Chile	01-Dec-04	Goods & Services	2004	GATT Art. XXIV & GATS Art. V
EFTA - Singapore	01-Jan-03	Goods & Services	2003	GATT Art. XXIV & GATS Art. V
EFTA - Jordan	01-Sep-02	Goods	2002	GATT Art. XXIV
EFTA - North Macedonia	01-May-02	Goods	2000	GATT Art. XXIV
EFTA - Mexico	01-Jul-01	Goods & Services	2001	GATT Art. XXIV & GATS Art. V
EFTA - Morocco	01-Dec-99	Goods	2000	GATT Art. XXIV
EFTA - Palestine	01-Jul-99	Goods	1999	GATT Art. XXIV
Faroe Islands - Switzerland	01-Mar-95	Goods	1996	GATT Art. XXIV
European Economic Area (EEA)	01-Jan-94	Services	1996	GATS Art. V
EFTA - Israel	01-Jan-93	Goods	1992	GATT Art. XXIV
EU - Switzerland - Liechtenstein	01-Jan-73	Goods	1972	GATT Art. XXIV
European Free Trade Association (EFTA)	03-May-60 01-Jun-02	Goods Services	1959 2002	GATT Art. XXIV GATS Art. V
• EFTA - Accession of Iceland	01-Mar-70	Goods	1970	GATT Art. XXIV
EFTA - GCC	01-Jul-14	Goods & Services	Not Notified	

a Dates of the first entry into force/provisional application for at least one of the Parties. Where dates of provisional application have been provided by the Parties, further notifications to confirm the dates of entry into force are awaited.

b Reference to Kosovo in this table shall be understood to be in the context of the United Nations Security Council resolution 1244 (1999).

Source: WTO Secretariat. Further information on these Agreements and on specific dates of entry into force/provisional applications may be found in the WTO Database on RTAs: <http://rtais.wto.org>.

4.8 Government procurement

4.15. The Agreement incorporated, with some modifications, the provisions of the *Procurement Agreement*⁹⁷ ("the incorporated PA"). The incorporated PA builds on the WTO Government Procurement Agreement (GPA 1994), to which both Parties were a party since 1 January 1996.⁹⁸ The incorporated PA broadens the scope of market access offered under the GPA 1994. While it provides additional market access to sub-central districts and municipalities, it also opens, for both Parties, procurement by railway operators, entities active in the field of energy (excluding electricity), and private utility providers. The Joint Declarations, made in 1999 by Switzerland and

⁹⁷ *Agreement between the European Community and the Swiss Confederation on certain aspects of Government procurement*, done at Luxembourg on 21 June 1999.

⁹⁸ The UK was a party to GPA 1994 by virtue of its membership of the EU.

the EU, on procedures for the award of contracts and on challenging procedures, and on the monitoring authorities, apply, with the same legal effect, to the Parties.

4.16. A Joint Committee is established under Article 11 of the incorporated PA to ensure its effective implementation and operation.

4.17. Transition rules, in a new Annex XI to the incorporated PA, became obsolete when the UK acceded to the GPA 2012 in its own right.

4.18. Both Parties became party to the GPA 2012, and both Parties' membership of the GPA 2012⁹⁹ became effective on 1 January 2021.

4.9 Intellectual property rights

4.19. The Agreement does not contain a specific chapter on the protection of intellectual property rights. It however incorporates, as modified through Annex 4 to the Agreement, the provisions of Annexes 7, 8, and 12 of the Switzerland-EU AA. It complements the rights and obligations between the Parties under the WTO TRIPS Agreement. Annex 12 of the incorporated AA shall apply without prejudice to the rights and obligations of the Parties in accordance with the Marrakech Agreement or any other multilateral agreement on intellectual property law to which the Parties are party.

4.20. Annex 12 of the incorporated AA (on the protection of designations of origin and geographical indications for agricultural products and foodstuffs) contains disciplines geared to the promotion of a harmonious development of designations of origin and geographical indications (GIs) and the facilitation, by means of protection of such designations and indications, of bilateral trade in agricultural products which have been granted a GI under the Parties' respective legislation. Each Party agrees to protect the GIs of the other Party that are listed in Appendix 1 to Annex 12 of the incorporated AA.¹⁰⁰ To be eligible for protection provided under Annex 12 of the incorporated AA, the Parties' GIs must be protected previously in their respective territories and shall originate from the Parties. The Parties shall not be obliged to protect a GI from the other Party that is no longer protected on the latter's territory. The Annex defines also the extent of the protection granted (Article 7 of Annex 12 of the incorporated AA). The transitional provisions in Article 8 of Annex 12 of the incorporated AA have all lapsed and are consequently obsolete. With respect to the relationship between the Annex and trademarks, in line with the prohibition on the use of a protected GI (extent of protection), in principle, the registration of a trademark exploiting the reputation of a GI shall be refused or invalidated in cases identified in Articles 7 and 9 of Annex 12 of the incorporated AA. With respect to enforcement, the Parties may take border measures in conformity with the provisions of Article 14 of Annex 12 of the incorporated AA. The Annex also contains the Parties' commitments to provide each other with mutual assistance, to exchange information, and to consult each other if either of them considers that the other has failed to fulfil an obligation under the Annex. A Working Group on Protection of Designations of Origin and Protection of Geographical Indication (PDO/PGI Working Group) is established under Article 15 of Annex 12 of the incorporated AA to assist the Joint Committee on all aspects covered in Annex 12 of the incorporated AA.

4.21. Annexes 7 (on trade in wine-sector products), and 8 (on mutual recognition and protection of names of spirit drinks and aromatised wine-based drinks) of the incorporated AA also contain some GI-related provisions (see sections 3.5.2 and 3.5.3 above).

4.22. The protection of intellectual property rights is identified as an area for exploratory discussions between the Parties with the aim of replacing, modernising or developing the Agreement (Article 8 of the Agreement).

4.10 Competition policy, monopolies, and state enterprises

4.23. The Agreement incorporates, with no modifications, the provisions of the incorporated FTA. Article 23 of the incorporated FTA identifies as incompatible with the proper functioning of the

⁹⁹ The UK, as a member of the EU, became a party to GPA 2012, on 6 April 2014 (when the EU became a party). It then became a party to GPA 2012, as an individual contracting party, on 1 January 2021, after it had left the EU on 31 December 2020.

¹⁰⁰ With respect to Liechtenstein, the Annex to the Additional Agreement makes adjustments and additions concerning Annex 12 to the incorporated AA.

Agreement in so far as they may affect trade between the Parties, all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which prevent, restrict or distort competition as regards the products of or trade in goods. Moreover, abuse by one or more undertakings of a dominant position in the territories of a Party as a whole or in a substantial part thereof are also considered incompatible. Public aid, which distorts, or threatens to distort, competition by favouring certain undertakings or the production of certain goods is also deemed to be incompatible with the functioning of the incorporated FTA.

4.11 Environment

4.24. There is no specific provision concerning environment in the Agreement. However, it is identified as an area.

4.12 Labour

4.25. There is no specific provision concerning labour in the Agreement. However, it is identified as an area for exploratory discussions between the Parties with the aim of replacing, modernising or developing the Agreement (Article 8 of the Agreement).

4.13 Electronic commerce

4.26. There is no specific provision on e-commerce in the Agreement.

4.14 Small and medium-sized enterprises

4.27. There is no specific provision concerning small and medium-sized enterprises in the Agreement.

4.15 Other

4.15.1 Trade in services

4.28. Trade in services is identified as an area for exploratory discussions between the Parties with the aim of replacing, modernising or developing the Agreement (Article 8 of the Agreement).¹⁰¹

4.15.2 Cooperation to combat fraud

4.29. The *Anti-Fraud Agreement*¹⁰² ("the incorporated AFA"), which is incorporated into the Agreement with some modifications¹⁰³, contains some disciplines on the administrative and criminal prevention, detection, investigation, prosecution and repression of fraud and any other illegal activity to the detriment of the Parties' respective financial interests concerning, *inter alia*, trade in goods contrary to customs and agricultural legislation; trade contrary to tax legislation applicable to value added tax, special taxes on consumption and excise duties; the charging or retention of funds – including their use for purposes other than those for which they were initially granted – from the budget of the Parties or budgets managed by them or on their behalf, such as grants and refunds; procedures for the award of contracts by the Parties; or the seizure and recovery of amounts due or wrongly received as a result of the illegal activities referred to before. The incorporated AFA extends administrative and judicial assistance between the Parties in criminal matters to combat illegal activities detrimental to the Parties' financial interests. It defines the scope, applicable principles, and modalities for administrative assistance, as well as mutual legal assistance, including through the exchange of information, on the basis of reciprocity. In case of disputes relating to the interpretation or application of the incorporated AFA, the matter may be submitted to the Joint Committee established under Article 39 of the incorporated AFA. Also applicable between the Parties

¹⁰¹ The Parties indicate that they concluded a temporary Services Mobility Agreement which entered into effect 1 January 2021. This agreement is due to expire on 31 December 2022 unless an extension is agreed by both Parties.

¹⁰² The *Cooperation Agreement between the European Community and its Member States and the Swiss Confederation to combat fraud and any other illegal activity to the detriment of their financial interests*, done at Luxembourg on 26 October 2004, entered into force on 8 April 2009.

¹⁰³ The modifications are contained in Annex 6 to the Agreement.

are the Joint Declaration on money laundering, and the Agreed Minutes of the negotiations, both adopted on the occasion of the signing of the AFA on 26 October 2004.

ANNEX 1

INDICATORS OF TRADE LIBERALIZATION UNDER THE AGREEMENT

1. The following tables present the tariffs that are applied by a Party, under the Agreement, to products imported from the other Party. A comparison is made between these tariffs and MFN tariffs. It should be emphasized that the tariff-related market access conditions for trade between Switzerland and the UK, applicable at the entry into force of the Agreement, remained largely unchanged as compared with the situation under the Switzerland-EU Trade Agreements, when the UK was still an EU Member State. The following tables should therefore be read bearing this in mind.

The United Kingdom

2. Table A1.1 shows tariff liberalization by the UK in relation to imports from Switzerland (by total, agricultural and industrial products). In 2021, the share of duty-free lines applicable to imports on an MFN basis represented 47% of the total number of tariff lines (18.8% for agricultural products, and 57.1% for industrial products), while the share of duty-free lines applicable to imports from Switzerland under the Agreement represented 81.1% of the total number of tariff lines (29.4% for agricultural products, and 99.7% for industrial products). The average MFN tariff was 3.8% in 2021, compared to 1.6% for imports from Switzerland. The corresponding MFN average was 2.5% for industrial products and considerably higher at 8.9% for agricultural products and respectively zero and 7.2% for industrial and agricultural imports from Switzerland. As a result of the Agreement exporters from Switzerland faced a relative margin of preference of 57.9% overall, and 100% and 19.1% respectively, for industrial and agricultural exports.

Table A1.1 United Kingdom: Indicators of MFN and preferential rates for imports from Switzerland

Origin of goods	Year	ALL PRODUCTS			HS Chapters 01-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	3.8	7.8	47.0	8.9	12.0	18.8	2.5	5.8	57.1
Switzerland	2021	1.6	11.7	81.1	7.2	11.8	29.4	0.0	7.5	99.7

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included.

For the tariff lines subject to seasonal duties¹, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.

Source: WTO estimates based on data provided by the UK.

3. Table A1.2 gives an indication of additional market access in the UK resulting from the entry into force of the Agreement for Switzerland's top 25 global exports, which accounted for 63.9% of its global exports in 2018-2020; these corresponded to 45 lines in the UK's tariff at the six-digit level (using the HS 2017). In 2021, 31 of these tariff lines already had (MFN) duty free access to the UK's market. Under the Agreement, as a consequence of previously binding contractual relations between the Parties, when the UK was an EU member, market access into the UK remains unchanged for goods originating in Switzerland. Thus, under the Agreement, in 2021, 8 additional tariff lines, which were dutiable on an MFN basis, were duty free for exports from Switzerland, while 6 tariff lines, all

¹ Tariff lines 0302.41.00, 0302.43.90, 0302.44.00, 0303.51.00, 0303.53.90, 0303.54.10, 0303.89.40, 0304.59.50, 0304.99.23, 0702.00.00, 0708.10.00, 0805.10.22, 0805.10.24, 0805.10.28, 0808.10.80, 0808.30.90, 0809.29.00 and 0809.40.05 are subject to MFN seasonal duties.

under tariff line HS 220299 (non-alcoholic beverages) remained dutiable, with an applied MFN rate in 2021 of 6.3%.

Table A1.2 United Kingdom: Market access opportunities under the agreement for Switzerland's top 25 exports to the world

Switzerland's top export products in 2018 - 2020			Access Conditions to UK's markets				
HS number and description		Share in global exports (%)	MFN 2021			No. of duty free lines under the agreement	Remain Dutiable
			Average Tariff (%)	No. of duty- free	No. of dutiable lines		
						2021	
710812	Gold	18.6	0.0	1			
300490	Medicaments	13.3	0.0	1			
300215	Immunological products	9.4	0.0	1			
711319	Articles of jewellery and parts thereof	3.3	2.0		1	1	
910221	Wrist-watches	3.2	*		1	1	
710813	Gold	2.4	0.0	2			
293399	Heterocyclic compounds with nitrogen hetero-atom[s] only	1.5	4.0	2	1	1	
910121	Wrist-watches of precious metal	1.4	*		1	1	
293359	Heterocyclic compounds with nitrogen hetero-atom[s] only, containing a pyrimidine ring, whether or not hydrogenated, or piperazine ring in the structure	1.1	0.0	3			
300439	Medicaments	0.9	0.0	1			
300212	Antisera and other blood fractions	0.8	0.0	1			
293719	Polypeptide hormones	0.8	0.0	1			
902110	Orthopaedic or fracture appliances	0.8	0.0	2			
090121	Roasted coffee	0.7	6.0		1	1	
910211	Wrist-watches	0.7	*		1	1	
901890	Instruments and appliances	0.6	0.0	8			
271600	Electrical energy	0.6	0.0	1			
220299	Non-alcoholic beverages	0.6	6.3		6		6
710239	Diamonds, worked, but not mounted or set	0.5	0.0	1			
300420	Medicaments	0.5	0.0	1			
294190	Antibiotics	0.5	0.0	1			
330499	Beauty or make-up preparations and preparations for the care of the skin	0.4	0.0	1			
910129	Wrist-watches of precious metal	0.4	*		1	1	
292429	Cyclic amides	0.4	5.8	1	1	1	
330290	Mixtures of odoriferous substances and mixtures	0.4	0.0	2			
Total		63.9	1.2	31	14	8	6

* dutiable tariff lines are subject to specific rates only.

Note: Tariff lines subject to in-quota rates are excluded in the computation. For the calculation of averages, specific rates are excluded, and the *ad valorem* part of alternate rates are included. For the tariff lines subject to seasonal duties, the average rate for the entire year is used for the calculation. The products classified beyond the HS 8-digit level are counted once and their tariff rates are averaged to the 8-digit level.

Source: WTO estimates based on data provided by UK and UNSD Comtrade Database.

Switzerland

4. Table A1.3 shows tariff liberalization by Switzerland in relation to imports from the UK (by total, agricultural and industrial products). As most customs duties applied by Switzerland are specific, the data used to prepare the Table only provides information on the share of duty-free tariff lines on an MFN basis and that share with regards to imports from the UK as a result of the implementation of the Agreement, as well as averages applied tariff based on AVEs. In 2021, the share of duty-free lines applicable to imports on an MFN basis represented 27.4% of the total number of tariff lines (25.4% for agricultural products, and 28.1% for industrial products), while the share of duty-free lines applicable to imports from UK under the Agreement represented 81.4% of the total number of tariff lines (33.2% for agricultural products, and 99.8% for industrial products). The average MFN tariff was 7.2% in 2021, compared to 5.2% for imports from the UK. The corresponding MFN average was 1.8% for industrial products and considerably higher at 22.7% for agricultural products and respectively zero and 20.5% for industrial and agricultural imports from the UK. As a result of the Agreement exporters from the UK faced a relative margin of preference of 27.8% overall, and 100% and 9.7% respectively, for industrial and agricultural exports.

Table A1.3 Switzerland: Indicators of MFN tariff rates and preferential rates for imports from the United Kingdom

Origin of goods	Year	ALL PRODUCTS			HS Chapters 1-24			HS Chapters 25-97		
		Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)	Average applied tariff		Share of duty-free tariff lines (%)
		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)		Overall (%)	On dutiable (%)	
MFN	2021	7.2	10.1	27.4	22.7	31.8	25.4	1.8	2.6	28.1
UK	2021	5.2	32.4	81.4	20.5	32.7	33.2	0.0	8.1	99.8

Note: The majority of Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents were estimated by the Secretariat. Tariff lines subject to in-quota rates at the MFN level and under the Agreement are excluded in the computation.
Based on the HS 2017 nomenclature.

Source: WTO estimates based on data from the Swiss authorities and WTO-IDB database.

5. Table A1.4 gives an indication of additional market access in Switzerland resulting from the entry into force of the Agreement for the UK's top 25 global exports, which accounted for 38.4% of its global exports in 2018-2020; these corresponded to 59 lines in Switzerland's tariff at the six-digit level (using the HS 2017). In 2021, prior to the entry into force of the Agreement, 26 of these tariff lines already had (MFN) duty free access to Switzerland's market. As already mentioned for the UK, as a consequence of previously binding contractual relations between the Parties, when the UK was an EU member, market access in Switzerland remains unchanged for goods originating in the UK. Thus under the Agreement, in 2021, all the 33 tariff lines, which were dutiable, became duty free for exports from the UK.

Table A1.4 Switzerland: Market access opportunities under the agreement for United Kingdom's top 25 exports to the world

United Kingdom's top export products in 2018 - 2020			Access Conditions to Switzerland's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty Free under the Agreement	Remain dutiable
			Avg MFN applied rate (%)	No. of lines			
				duty free	duti-able		
710813	Gold, incl. gold plated with platinum, in semi-manufactured forms, for non-monetary purposes	5.6	0.0		1	1	

United Kingdom's top export products in 2018 - 2020			Access Conditions to Switzerland's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty Free under the Agreement	Remain duti- able
			Avg MFN applied rate (%)	No. of lines			
				duty free	duti- able		
270900	Petroleum oils and oils obtained from bituminous minerals, crude	4.9	0.0	2			
300490	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes,	3.2	0.0	1			
880330	Parts of aeroplanes or helicopters, n.e.s.	2.9	0.0	1			
841112	Turbojets of a thrust > 25 kn	2.6	0.0		1	1	
870323	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm³ but <= 3.000 cm³	2.4	0.2		3	3	
841191	Parts of turbojets or turbopropellers, n.e.s.	2.1	0.1		1	1	
870324	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 3.000 cm³	1.7	0.1		2	2	
220830	Whiskies	1.3	5.7		2	2	
271012	Light oils and preparations	1.3	0.0	6			
970110	Paintings, e.g. oil paintings, watercolours and pastels, and drawings executed entirely by hand	1.3	0.0	1			
870322	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.000 cm³ but <= 1.500 cm³	1.2	0.1		1	1	
711319	Articles of jewellery and parts thereof, of precious metal other than silver	1.0	0.0		1	1	
271019	Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel, n.e.s.	1.0	0.0	9			
870332	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm³ but <= 2.500 cm³	0.7	1.1		3	3	
300220	Vaccines for human medicine	0.6	0.0	1			
870340	Motor cars and other motor vehicles principally designed for the transport of <10 persons, of a cylinder capacity > 1.500 cm³ but <= 2.500 cm³	0.6	0.4		7	7	
711021	Palladium, unwrought or in powder form	0.6	0.0	1			
300215	Immunological products, for retail sale	0.6	0.0	1			
851762	Machines for the reception, conversion and transmission or regeneration of voice, images or other data	0.6	0.0	1			
382200	Diagnostic or laboratory reagents on a backing, prepared diagnostic or laboratory reagents	0.5	0.0	1			
490199	Printed books, brochures and similar printed matter	0.5	0.0	1			
870333	Motor cars and other motor vehicles principally designed for the transport of <10 persons, incl. station wagons and racing cars, with only diesel engine of a cylinder capacity > 2.500 cm³	0.5	0.3		2	2	
840890	Compression-ignition internal combustion piston engine "diesel or semi-diesel engine"	0.4	1.1		5	5	

United Kingdom's top export products in 2018 - 2020			Access Conditions to Switzerland's import markets				
HS number and description of the product		Share in global exports (%)	MFN 2021			Duty Free under the Agreement	Remain dutiable
			Avg MFN applied rate (%)	No. of lines			
				duty free	duti- able		
870899	Parts and accessories, for tractors, motor vehicles for the transport of ten or more persons	0.4	1.3		4	4	
	Total of above	38.4		26	33	33	-

Note: The majority of Switzerland's tariff is subject to specific duties for which *ad valorem* equivalents were estimated by the Secretariat. Tariff lines subject to in-quota rates at the MFN level and under the Agreement are excluded in the computation.
Based on the HS 2017 nomenclature.

Source: WTO estimates based on data from the Swiss, UK authorities and the WTO-IDB.

ANNEX 2**SUMMARY OF THE PARTIES' TARIFF RATE QUOTAS****Access to the Swiss market**

1. Table A2.1 identifies the tariff lines covered by Switzerland's TRQ commitments. Appendix A to Annex 4 to the Agreement (which replaces Annex 1 to the incorporated AA) indicates the applicable preferential in-quota rate as well as the resized annual quantity benefiting from the preferential in-quota rate.

Table A2.1 Switzerland's commitments

Tariff lines	Product	In-quota customs duty (CHF/100 kg gross weight)	Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) in net weight) (Swiss commitments)	Resized Annual Quantity (MT in net weight)
0101 90 95	Live horses (excl. pure-bred horses for breeding and horses for slaughter) (in number of head)	0	100 heads	5 heads
0204 50 10	Goat meat, fresh, chilled or frozen	40	100	5
0207 14 81	Breasts of fowls of domestic species, frozen	15	2100	113
0207 14 91	Cuts and edible offal of fowls of domestic species, including livers (excluding breasts), frozen	15	1200	64
0207 27 81	Breasts of turkeys of domestic species, frozen	15	800	43
0207 27 91	Cuts and edible offal of turkeys of domestic species, including livers (excluding breasts), frozen	15	600	32
0207 33 11	Ducks of domestic species, not cut in pieces, frozen	15	700	38
0207 36 91	Cuts and edible offal of ducks, geese or guinea fowls of domestic species, frozen (excluding livers)	15	100	5
0208 10 00	Meat and edible offal of rabbits or hares, fresh, chilled or frozen	11	1700	91
0208 90 10	Meat and edible offal of game, fresh, chilled or frozen (other than of hares or wild boar)	0	100	5
Ex 0210 11 91 Ex 0210 19 91	Hams and cuts thereof, with bone in, of swine (other than wild boar), salted or in brine, dried or smoked Hams and cuts thereof, boneless, of swine (other than wild boar), salted or in brine, dried or smoked	Free	1000 ^(a)	54 (aggregate)
0210 20 10	Dried meat of bovine animals	Free	200 ^(b)	11
Ex 0407 00 10	Edible bird's eggs, in shell, fresh, preserved or cooked	47	150	8
Ex 0409 00 00	Natural acacia honey	8	200	11
Ex 0409 00 00	Natural honey, other (excluding acacia)	26	50	3
0602 20 11 0602 20 19 0602 20 21 0602 20 29	Plants in the form of pomaceous fruit rootstock (of seedling origin or produced by vegetative propagation): - grafted, bare rooted - grafted, with root ball - not grafted, bare rooted - not grafted, with root ball	Free	^(c)	⁽¹⁾
0602 20 31 0602 20 39 0602 20 41	Plants in the form of stone fruit rootstock (of seedling origin or produced by vegetative propagation):	Free	^(c)	⁽¹⁾

Tariff lines	Product	In-quota customs duty (CHF/1 00 kg gross weight)	Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) in net weight) (Swiss commitments)	Resized Annual Quantity (MT in net weight)
0602 20 49	- grafted, bare rooted - grafted, with root ball - not grafted, bare rooted - not grafted, with root ball			
0602 20 71 0602 20 72	Trees, shrubs and bushes, of kinds which bear edible fruit, bare rooted: - of kinds which bear pomaceous fruit - of kinds which bear stone fruit	Free	(c)	(1)
0602 20 81 0602 20 82	Trees, shrubs and bushes, of kinds which bear edible fruit, with root ball: - of kinds which bear pomaceous fruit - of kinds which bear stone fruit	Free	(c)	(1)
0603 11 10 0603 12 10 0603 13 10 0603 14 10 0603 19 11 0603 19 19	Cut roses of a kind suitable for bouquets or for ornamental purposes, fresh, (01/05-25/10) Cut carnations of a kind suitable for bouquets or for ornamental purposes, fresh, (01/05-25/10) Cut orchids of a kind suitable for bouquets or for ornamental purposes, fresh, (01/05-25/10) Cut chrysanthemums of a kind suitable for bouquets or for ornamental purposes, fresh (01/05-25/10) Cut flowers and flower buds (other than carnations, roses, orchids or chrysanthemums) of a kind suitable for bouquets or for ornamental purposes, fresh (01/05-25/10) - woody - other than woody	Free	1000	54 (aggregated)
0702 00 10 0702 00 20 0702 00 30 0702 00 90	Tomatoes, fresh or chilled - cherry tomatoes: (21/10-30/04) - Peretti tomatoes (elongated): (21/10-30/04) - other tomatoes, of a diameter of 80 mm or more (beef tomatoes) (26/10-30/04) - other: (21/10-30/04)	Free Free Free	10000	537 (aggregate)
0705 11 11	Iceberg lettuce, without outer leaf: (01/01-28/02)	Free	2000	107
0705 21 10	Witloof chicory, fresh or chilled: (21/05-30/09)	Free	2000	107
0707 00 10	Cucumbers for salad, (21/10-14/04)	5	200	11
0707 00 30	Pickling cucumbers, >6 cm but =<12 cm in length, fresh or chilled, (21/10-14/04)	5	100	5
0707 00 31	Pickling cucumbers, >6 cm but =<12 cm in length, fresh or chilled, (15/04-20/10)	5	2100	113
0707 00 50	Gherkins, fresh or chilled	3.5	800	43
0709 30 10	Aubergines (eggplants), fresh or chilled: - from 16 October to 31 May	Free	1000	54
0709 60 12	Sweet peppers, fresh or chilled, (01/04-31/10)	5	1300	70
0709 90 50	Courgettes (including courgette flowers), fresh or chilled: (31/10-19/04)	Free	2000	107
0711 90 90	Vegetables and mixtures of vegetables, provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but	Free	150	8

Tariff lines	Product	In-quota customs duty (CHF/1 00 kg gross weight)	Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) in net weight) (Swiss commitments)	Resized Annual Quantity (MT in net weight)
	unsuitable in that state for immediate consumption			
0712 20 00	Onions, dried, whole, cut, sliced, broken or in powder, but not further prepared	Free	100	5
0713 10 11	Peas (Pisum sativum), dried, shelled, whole, unprocessed, for use as animal feed	Rebate of 0.9 on applied duty	1000	54
0713 10 19	Peas (Pisum sativum), dried, shelled, whole, unprocessed (excluding those for use as animal feed, for technical purposes or for brewing)	Free	1000	54
0802 32 90	Nuts	Free	100	5
0809 10 11 0809 10 91	Apricots, fresh, in open packings: (01/09-30/06) in other packings: (01/09-30/06)	Free	2100	113 (aggregate)
0809 40 13	Fresh plums, in open packings, (01/07-30/09)	Free	600	32
0810 10 10	Strawberries, fresh, (01/09-14/05)	Free	10000	537
0810 10 11	Strawberries, fresh, (15/05-31/08)	Free	200	11
0810 20 11	Raspberries, fresh (01/06-14/09)	Free	250	13
Ex 0811 10 00	Strawberries, uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter, not put up in packings for retail sale, intended for industrial use	10	1000	54
Ex 0811 20 90	Raspberries, blackberries, mulberries, loganberries and black, white or red currants, gooseberries, uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter, not put up in packings for retail sale, intended for industrial use	10	1200	64
0811 90 10	Bilberries, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter	Free	200	11
0811 90 90	Edible fruit, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter	Free	1000	54
0904 20 90	Fruits of the genus Capsicum or of the genus Pimenta, dried or crushed or ground, processed	Free	150	8
1001 90 60	Wheat and meslin (except durum wheat), for use as animal feed	Rebate of 0.6 on the duty applied	50000	2685
1005 90 30	Maize (corn) for use as animal feed	Rebate of 0.5 on the duty applied	13000	698
Ex 0210 19 91 Ex 0210 19 91 1601 00 11 1601 00 21 Ex 0210 19 91 Ex 1602 49 10	- Hams, in brine, boneless, enclosed in a bladder or in an artificial gut - Piece of boneless chop, in brine and smoked - Sausages and similar products, of meat, meat offal or blood; food preparations based	Free Free Free	3715	199 (aggregate)

Tariff lines	Product	In-quota customs duty (CHF/100 kg gross weight)	Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) in net weight) (Swiss commitments)	Resized Annual Quantity (MT in net weight)
	on these products of animals of headings 0101 to 0104, excluding wild boars - Pork neck, dried in air, seasoned or not, whole, in pieces or thinly sliced	Free		
2003 10 00	Mushrooms of the genus <i>Agaricus</i> , prepared or preserved other than by vinegar or acetic acid	Free	1700	91
2309 1021 2309 1029	Dog and cat food in airtight containers	Free	-	322

- (a) Including 480 tonnes of Parma and San Daniele ham under the terms of the exchange of letters of 25 January 1972 between the Community and Switzerland.
- (b) Including 170 tonnes of bresaola under the terms of the exchange of letters of 25 January 1972 between the Community and Switzerland.
- (c) Subject to and overall annual quota of 60'000 plants.
- (1) Subject to an overall annual quota of 3,222 plants.
- (2) Including the contribution to the guarantee fund for compulsory storage.
- (3) Covers only products specified in Annex 7 to the incorporated AA.

Source: WTO Secretariat based on Appendix A to Annex 4 of the Agreement, replacing Annex 1 of the incorporated AA.

Access to the UK market

2. Table A2.2 identifies the tariff lines covered by the UK's TRQ commitments. Appendix B to Annex 4 to the Agreement (which replaces Annex 2 to the incorporated AA) indicates the applicable preferential in-quota rate as well as the resized annual quantity benefiting from the preferential in-quota rate. The out of quota rate is the current applied MFN rate.

Table A2.2 the United Kingdom's commitments

Tariff lines	Product	In-quota customs duty (CHF/100 kg gross weight)	Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) net weight) (EU(28) commitments)	Resized Annual Quantity (MT net weight)
0102 90 41 0102 90 49 0102 90 51 0102 90 59 0102 90 61 0102 90 69 0102 90 71 0102 90 79	Live bovine animals of a live weight exceeding 160 kg	Free	4600 head	247 head
Ex 0210 20 90	Meat of bovine animals, boneless, dried	Free	1200	64
Ex 0401 30 0403 10	- Cream, of a fat content, by weight, exceeding 6% - Yogurt	Free	2000	107
0701 10 00	Seed potatoes, fresh or chilled	Free	4000	215
0702 00 00	Tomatoes, fresh or chilled	Free ⁽²⁾	1000	54
0703 10 19 0703 90 00	Onions other than sets, leeks and other alliaceous vegetables, fresh or chilled	Free	5000	269
0704 10 00 0704 90	Cabbages, cauliflowers, kohlrabi, kale and other similar edible brassicas with the exception of Brussels sprouts, fresh or chilled	Free	5500	295
0705	Lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium spp.</i>), fresh or chilled	Free	3000	161

Tariff lines	Product	In-quota customs duty (CHF/100 kg gross weight)	Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) net weight) (EU(28) commitments)	Resized Annual Quantity (MT net weight)
0706 10 00	Carrots and turnips, fresh or chilled	Free	5000	269
0706 90 10 0706 90 90	Salad beetroot, salsify, celeriac, radishes and similar edible roots, with the exception of horseradish (<i>Cochlearia armoracia</i>), fresh or chilled	Free	3000	161
0707 00 05	Cucumbers, fresh or chilled	Free ⁽²⁾	1000	54
0708 20 00	Beans (<i>Vidgna</i> spp., <i>Phaseolus</i> spp.) fresh or chilled	Free	1000	54
0709 30 00	Aubergines (eggplants), fresh or chilled	Free	500	27
0709 40 00	Celery other than celeriac, fresh or chilled	Free	500	27
0709 70 00	Spinach, New Zealand spinach and orache spinach (garden spinach), fresh or chilled	Free	1000	54
0709 90 10	Salad vegetables, other than lettuce (<i>Lactuca sativa</i>) and chicory (<i>Cichorium</i> spp.), fresh or chilled	Free	1000	54
0709 90 20	Chard (or white beet) and cardoons	Free	300	16
0709 90 50	Fennel, fresh or chilled	Free	1000	54
0709 90 70	Courgettes, fresh or chilled	Free ⁽²⁾	1000	54
0709 90 90	Other vegetables, fresh or chilled	Free	1000	54
Ex 0808 10 80	Apples, other than cider apples, fresh	Free ⁽²⁾	3000	161
0808 20	Pears and quinces, fresh	Free ⁽²⁾	3000	161
0809 10 00	Apricots, fresh	Free ⁽²⁾	500	27
0809 20 95	Cherries, other than sour cherries (<i>Prunus cerasus</i>), fresh	Free ⁽³⁾	1500 ⁽²⁾	81
0809 40	Plums and sloes, fresh	Free ⁽²⁾	1000	54
0810 10 00	Strawberries	Free	200	11
0810 20 10	Raspberries, fresh	Free	100	5
0810 20 90	Blackberries, mulberries and loganberries, fresh	Free	100	5
1106 30 10	Flour, meal and powder of bananas	Free	5	0.27
Ex 0210 1950 Ex 0210 19 81 Ex 1601 00 Ex 0210 1981 Ex 1602 4919	- Hams, in brine, boneless, enclosed in a bladder or in an artificial gut - Piece of boneless chop smoked - Sausages and similar products, of meat, meat offal or blood; food preparations based on these products of animals of headings 0101 to 0104, excluding wild boars - Pork neck, dried in air, seasoned or not, whole, in pieces or thinly sliced	Free	1900	102 (aggregated)
2003 90 00 2004 10 10 2004 10 99 2005 20 80	- Mushrooms, other of the genus <i>Agaricus</i> , prepared or preserved otherwise than by vinegar or acetic acid - Potatoes, prepared or preserved otherwise than by vinegar or acetic acid, frozen, other than products of heading No 2006, with the exception of flour, meal or flakes - Potatoes, prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading 2006, with the exception of flour, meal or flakes and preparations that are thinly sliced, fried or baked, whether or not salted or flavoured, in airtight packings, suitable for immediate consumption	Free	3000	161 (aggregated)
2008 60 Ex 0811 90 19	- Cherries, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included - Cherries, uncooked or cooked by steaming or boiling in water, frozen,	Free	500	27 (aggregated)

Tariff lines	Product	In-quota customs duty (CHF/100 kg gross weight)	<i>Annual Quantity in the Switzerland-EU AA (Metric Tonnes (MT) net weight) (EU(28) commitments)</i>	Resized Annual Quantity (MT net weight)
Ex 0811 90 39 0811 90 80	containing added sugar or other sweetening matter - Cherries, other than sour cherries (Prunus cerasus), uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter			

Note:

- (1) For the products of this subheading, "special milk for infants" means products that are free of pathogenic and toxicogenic germs and which contain less than 10 000 revivifiable aerobic bacteria and less than two coliform bacteria per gram.
- (2) Where relevant, a specific duty and not the minimum duty should apply.
- (3) See Joint Declaration on the tariff classification of powdered vegetables and powdered fruit.

Source: WTO Secretariat based on Appendix B to Annex 4 of the Agreement, replacing Annex 2 of the incorporated AA.