GENERAL AGREEMENT ON
TARIFFS AND TRADE

GENERALIZED SYSTEM OF PREFERENCES

Notification by Switzerland

Addendum

The following communication dated 16 April 1982 has been received from
the Swiss delegation, for the information of contracting parties.

On 9 October 1981 the Parliament approved the extension of the Swiss
scheme of tariff preferences for a ten-year period from 1 March 1982 to
29 February 1992. The new text is attached hereto.

Only one amendment has been made to the Order on tariff preferences. Article 3 of the new Order stipulates as follows: "The Federal Council shall review periodically whether and, where appropriate, to what extent the tariff preferences granted for products imported from specified preference-receiving countries continue to be justified having regard to the level of development and the financial and commercial situation of those countries."

This clause envisages the possibility of adapting preferential treatment to the conditions prevailing in a preference-receiving country since it will be possible henceforth to take account of the economic development of Third World countries. It is our intention to use this new article in a positive sense, in other words first of all to encourage our trade partners to pursue a more liberal policy on imports. This should facilitate the development of trade. We would also note that the Federal Order of 9 October 1981 makes no changes as regards the products or countries eligible for preferences under the Swiss scheme.

In addition, on 14 December 1981, the Federal Council decided to amend the Ordinance of 2 July 1975 concerning rules of origin to govern the grant of tariff preferences to developing countries, with effect from 1 January 1982. The new text is annexed hereto.
The changes made are the following:

**Articles 6, paragraphs 1 and 2, 7, paragraphs 2 bis and 2 ter, 27 bis, Annex I, Note 8**

The rule of direct transport has been relaxed by introducing a new procedure, applicable on a reciprocal basis between the preference-giving countries of EFTA and the member States of the European Community, providing for the issue and acceptance of certificates of origin for transit, Form A. These provisions allow the forwarding of products originating in developing countries from the country of transit, without depriving them of eligibility for preferential treatment in the country of destination.

**Articles 7, paragraphs 2, 9 and 23**

The ceiling values have been adjusted and are now as follows:

- the maximum value for products sent by post under a Form APR has been raised from Sw F 5,500 to Sw F 6,300;
- for small packages sent by a private person to a private person without a certificate of origin, the maximum value has been raised from Sw F 370 to Sw F 440;
- lastly, for products contained in travellers' personal luggage (without certificate of origin) the maximum value has been raised from Sw F 1,100 to Sw F 1,300.

**Articles 13, paragraphs 2 and 4, 27**

The time-period allowed to the authorities of developing countries for subsequent verification of certificates of origin has been adjusted. Past experience has shown that the three-month period is insufficient. Henceforth the period has been extended to six months for requests made directly by the country of destination to the preference-receiving country, and to eight months for requests transmitted through the intermediary of a country of transit.

In addition, if no reply is received within four months after the expiry of the above-mentioned time-periods, or if the results of the verification are not sufficient to determine the authenticity of the document or the real origin of the products, tariff preferences will not be granted.

**Annex I, Note 5**

This amendment is designed to incorporate the concept of "customs value" laid down in the Agreement of 12 April 1979 on Implementation of Article VII of the General Agreement on Tariffs and Trade.
FEDERAL ORDER CONCERNING THE GRANT OF TARIFF PREFERENCES IN FAVOUR OF DEVELOPING COUNTRIES
(Tariff Preferences Order)
of 9 October 1981

The Federal Assembly of the Swiss Confederation,
Considering Article 28 of the Constitution,
Considering the Federal Council's message of 25 February 1981,
Orders as follows:

Article 1 - Principle
The Federal Council is authorized to grant generalized preferences to developing countries in respect of the customs duties established under Part B (import tariff) of the customs tariff of 1959.

Article 2 - Responsibilities of the Federal Council
1. The Federal Council shall determine to which countries and on which goods tariff preferences are granted. It shall fix the customs duty rates and, where appropriate, the conditions for customs duty reductions. It shall lay down regulations on certification of origin.

2. Should the effect of tariff preferences on goods traffic be such that vital Swiss economic interests are affected or in danger of being affected, or if trade flows are seriously disrupted, the Federal Council may modify or suspend the tariff preferences or take any other action it deems necessary for such time as the circumstances warrant.

Article 3 - Periodic review
The Federal Council shall review periodically whether and, where appropriate, to what extent the tariff preferences granted for products imported from specified preference-receiving countries continue to be justified having regard to the level of development and the financial and commercial situation of those countries.

Article 4 - Consultation and report
1. Before taking measures, the Federal Council shall consult the Commission of Customs Experts.

2. The Federal Council shall report twice yearly to the Federal Assembly on measures taken by it. The Federal Assembly shall decide whether such measures are to be maintained.
Article 5 - Referendum and entry into force

1. The present Order, which shall have general application, shall be subject to optional referendum.

2. It shall enter into force on 1 March 1982 and remain in effect until 29 February 1992.

For the Council of States,  
9 October 1981

Hefti, President  
Huber, Secretary

For the National Council,  
9 October 1981

Butty, President  
Koehler, Secretary

Date of publication: 20 October 1981  
Time-limit for opposition: 18 January 1982
The Swiss Federal Council orders as follows:

I. The Ordinance of 2 July 1975 concerning rules of origin to govern the grant of tariff preferences to developing countries shall be amended as follows:

Article 6, paragraph 1(c) and paragraph 2, introductory sentence

1. The following shall be considered as transported directly from the preference-receiving country to Switzerland:

   (c) Products transported through the territory of a member State of the European Community, or of Austria, Finland, Norway or Sweden and subsequently re-exported in full or in part to Switzerland, provided that the products have remained under the surveillance of the customs authorities of the country of transit or warehousing and have not been delivered for home use and have not undergone operations other than:

   - unloading and reloading
   - splitting up of loads
   - repacking, except packaging for retail sale
   - any operation intended to keep them in good conditions there.

2. Evidence that the conditions specified in paragraph 1(b) and (c) have been fulfilled shall be supplied to the Swiss customs authorities by the presentation of:

   ...

Article 7, paragraphs 2, 2 bis and 2 ter

2. However, "originating products" in terms of this Ordinance which are sent by post (including those sent by parcel post) shall benefit from the tariff preferences mentioned in Article 1 on presentation of a Form APR (Annex V) provided that the consignments contain only such products and that their value does not exceed Sw F 6,300 per consignment, and furthermore that the assistance provided for in the preceding paragraph applies, in the same conditions, to the said form.
2 bis. "Originating products" in terms of this Ordinance shall be eligible to benefit from the tariff preferences mentioned in Article 1 on presentation of a certificate of origin for transit, Form A (Annex IV) provided that:

(a) the said certificate of origin has been issued by the customs authorities of a member State of the European Community, or of Austria, Finland, Norway or Sweden on the basis of a certificate of origin, Form A, issued by the responsible authorities of the preference-receiving country;

(b) the conditions set forth in Article 6 are fulfilled;

(c) the States mentioned in sub-paragraph (a) give assistance to Switzerland to verify that the certificates of origin, Form A, are authentic and complete.

In these conditions, the procedure provided for in Article 13, paragraph 1 shall be applicable.

2 ter. The provisions of Articles 6, paragraph 1(c) and 7, paragraph 2 bis shall be applicable only to the extent that the member States of the European Community, Austria, Finland, Norway and Sweden apply similar provisions in respect of the tariff preferences granted by them.

Article 9, paragraph 1, first sentence, and paragraph 2, second sentence

1. "Originating products" sent as small packages by private persons to private persons or forming part of travellers' personal luggage shall be eligible for tariff preferences without any requirement of production of a certificate of origin, provided that such products are not imported by way of trade ...

2. ... The total value of such products must not exceed Sw F 440 for small packages and Sw F 1,300 for products contained in travellers' personal luggage.

Article 13, paragraphs 2 and 4

2. Where the provisions of the preceding paragraph are applicable, the Swiss customs authorities shall return the certificate of origin, Form A, or the Form APR, either to the responsible governmental authority in the preference-receiving country or, in the case of a certificate of origin for transit, to the customs authorities of the country of transit, giving, where appropriate, the reasons of substance or form that justify an enquiry. They shall attach to Form A or Form APR the invoice (if it has been submitted) or a copy thereof and shall forward any information that has been obtained suggesting that the particulars given on the said certificate, Form A, or on the Form APR are inaccurate.
4. The time-limitation for application of customs charges shall be sus­
pended throughout the actual duration of subsequent verification.

Article 23

1. In the event of the theft, loss or destruction of a certificate of
origin, the exporter may apply to the responsible governmental authority
which issued it for a duplicate to be made out on the basis of the export
documents in their possession. The duplicate issues in this way must be
endorsed, in box 4, with the word "DUPLICATA" or "DUPLICATE", with an indica-
tion of the date of issue and the serial number of the original certificate.

2. For duplicate certificates, the time-period provided for in Article 8
shall run as from the date of issue of the original certificate.

Article 27

1. The results of subsequent verification, applied for under Article 13,
must be communicated within a maximum of six months to the Swiss customs
authorities. In respect of certificates of origin for transit, this time-
period shall be eight months.

2. If the results of the verification are not communicated within
four months at the latest after expiry of the time-period, or if they are
not sufficient to determine the authenticity of the document or the real
origin of the products, tariff preferences shall not be granted.

3. Copies of the certificates of origin as well as any export documents
referring to them shall be kept for at least two years by the responsible
governmental authority in the preference-receiving country.

Article 27a

The Swiss customs authorities shall give assistance to verify that
certificates of origin for transit, Form A, issued by it are authentic and
complete.

Annex I, Explanatory notes

Note 5 - ad Article 5

"Ex factory" or "ex works" price shall mean the price paid to the manu-
facturer in whose undertaking the last working or processing is carried out,
including the value of the products used in manufacture.

"Customs value" shall be understood as meaning the customs value laid
down in the Agreement of 12 April 1979 on Implementation of Article VII of
the General Agreement on Tariffs and Trade.
Note 8 - ad Article VII, paragraphs 2 bis and 21

Certificates of origin for transit shall be drawn up upon written application by the party liable to customs duty.

The certificate of origin for transit must indicate the State in which the products are considered as originating, and should be endorsed with "certificat de remplacement", "replacement certificate" or "Ersatzzeugnis" as well as the date of issue and serial number of the original certificate of origin, in box 4. In boxes 3 to 9 and 12 all endorsements appearing on the original certificate relating to the products re-exported should be made on the certificate(s) of origin for transit.

The customs office requested to draw up the certificate of origin for transit shall note on the original certificate, or on a photocopy thereof, the weights, numbers and nature of the goods re-dispatched, together with the serial numbers of the corresponding certificate(s) of origin for transit.

The original certificate must be kept for at least two years.

Upon request by the party liable to customs duty, a photocopy of the original certificate may be authenticated by the customs office and annexed to the certificate of origin for transit.

II. The present amendment shall enter into force on 1 January 1982.

14 December 1981

For the Swiss Federal Council:

Furgler, President of the Confederation
Buser, Chancellor of the Confederation