GENERAL AGREEMENT ON
TARIFFS AND TRADE

Multilateral Trade Negotiations
Group "Tariffs"

TARIFF-CUTTING FORMULA

Proposal Submitted by Switzerland

Addendum

Attached hereto are further annexes to the tariff formula proposal submitted by Switzerland.
Tariff reductions under the formula proposed by Switzerland

\[ y = 1.5x + 50 \]

\[ y = x \tag{4 times} \]

\[
\begin{align*}
x & = \text{Initial tariff rate} \\
y & = \text{Reduction rate} \\
z & = \text{Final tariff rate} \\
z &= \frac{ax}{a+x} \quad \text{or} \quad y = \frac{100x}{a+x}
\end{align*}
\]
Terminal duties under the formula proposed by Switzerland

\[ x = \text{Initial tariff rate} \]
\[ y = \text{Rate of reduction} \]
\[ z = \text{Terminal tariff rate} \]

\[ z = \frac{ax}{a+x} \quad \text{or} \quad y = \frac{100x}{a+x} \]

\[ y = x(4 \text{ times}) \]
\[ y = 1.5x + 50 \]