

# GENERAL AGREEMENT ON

RESTRICTED

Spec(89)34  
30 June 1989

## TARIFFS AND TRADE

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### WORKING PARTY ON PARAGRAPH 4 OF THE SWISS PROTOCOL OF ACCESSION

#### Comments on Draft Report

In accordance with the procedure agreed by the Working Party at its meeting on 30 May 1989, the following comments and suggestions concerning possible amendments to the draft report of the Working Party (document Spec(88)11/Rev.3) were received from the representatives of Australia, New Zealand and Switzerland by Friday 23 June 1989. Any member of the Working Party wishing to comment further on these communications should do so, in writing, to the secretariat, no later than 21 July 1989. Spec(88)11/Rev.3 will be revised, in the light of the comments received and of the discussion in the May meeting, for approval by the Working Party.

#### A. COMMENTS BY NEW ZEALAND

At the last meeting of the working Party on Switzerland's Protocol of Accession (held on 30 May), members were invited to submit any suggested amendments to, or comments on, the draft report prepared by the Secretariat. In response to that invitation, I would like to draw your attention to one minor point, occurring in paragraph 34 of the report. I would be grateful if the last part of question (b) in this paragraph could be amended to read "... and when did they trigger import quotas".

More generally, I would like to place on record that New Zealand is satisfied with the draft report as it stands to date, and considers it to be a full, informative and accurate record of the discussion which has taken place within the Working Party. While there may be an element of repetition with respect to specific products, we do not consider this to be of sufficient significance to justify any major restructuring of the report. Such repetition is inevitable when requests for further information and responses to those requests are made in the course of a number of meetings. In particular, we would request that the written questions and replies contained in Chapter III of the report should remain unchanged, since these were submitted in consequence of an agreed procedure proposed by the Chairman of the Working Party.

Given that suggestions for amendments to the draft report are likely to be submitted to the Secretariat by other participants in the Working Party, we wish to reserve our right to comment further in response to any such suggestions. We would also hope to have the opportunity to comment on the draft report, once it has been amended to take account of the discussion which took place during the Working Party meeting of 30 May.

Finally, at that meeting, New Zealand indicated its view that the report should be rounded off with the addition of concluding paragraphs to summarize the work of the Working Party. Accordingly, we would also like to reserve our rights to submit drafting suggestion in the light of (a) any amendments which are included in the revised draft report, and (b) any further discussion to take place in the Working Party.

B. COMMENTS BY AUSTRALIA \*

1. The current structure of the draft report of the Working Party provides a good overview and record of the discussions in the Working Party. There is minimal overlap in the document and the document together with the necessary changes and additions arising from the fifth and any subsequent meetings of the Working Party should provide a good basis for the report of the Working Party to CONTRACTING PARTIES. My delegation would not see the need for any substantial change to the existing structure.
2. Given that a number of paragraphs in Spec(88)11/Rev.3 will need to be modified in the light of comments at the fifth and any subsequent meetings, the Australian Delegation reserves its rights to make further suggested changes to the text as set out in Spec(88)11/Rev.3 or later revisions. Moreover the Australian Delegation reserves its rights with regard to all suggestions for modifying the text that may be made by other members of the Working Party.
3. The Australian Delegation also reserves its right to propose further additions to the Report, particularly by way of conclusions, in the light of past and future discussion in, and information provided to, the Working Party. It will be necessary to consider the text as a whole towards the end of the Working Party's task before being able to finally approve it.
4. Some comments on the text of Spec(88)11/Rev.3 are provided below.
5. There is a variety of ways in which delegations have referred to Switzerland's partial reservation under paragraph 4 of its Protocol of accession in the text of Spec(88)11/Rev.3. Whilst it is not necessary to spell out the extent of that partial reservation in every instance, it would be desirable that in a number of instances reference be made to Switzerland's "partial reservation", e.g. in 1.1, page 9 and 1.2, page 44.
6. Paragraphs 19 to 23, in particular 20 to 23, will need to be redrafted in the light of subsequent discussion in the Working Party. Further examination and discussion of extant legislation have increased concerns regarding what, if any, aspects of it could reasonably be considered still to be covered by the partial reservation under paragraph 4 of the Swiss Protocol with regard to specified decrees and legislation existing at that time. In particular no substantial argument has been put forward as to why any aspect of the Federal Law on External Economic Measures, 25 June 1982, should be considered to be covered by the partial reservation. A number of concerns regarding aspects of amended Swiss legislation have been further elaborated in the fifth meeting of the Working Party.

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\* Page references are to English version of Spec(88)11/Rev.3.

7. The first two sentences of paragraph 23 could be somewhat misconstrued given that they represented part of a more general interchange on what GATT practice was with regard to the examination of legislation in Committees. In the absence of that interchange (and we see no need for it to be included) we would suggest that the first two sentences be deleted and the third sentence read: "A member of the Working Party said that this was a case where a partial reservation from GATT obligations had been granted ...".

8. In paragraph 24, line 7, "One member" would be more properly replaced by "They" or "Members".

C. COMMENTS BY SWITZERLAND\*

Page 2, paragraph 4, second line: replace "10 per cent" by "8 to 9 per cent".

Page 2, paragraph 4, fourth line: delete "a more rapid growth and imports as a whole".

Page 2, paragraph 4, eleventh line: replace "55 to 60 per cent" by "59 per cent on average from 1984 to 1986".

Page 2, paragraph 4, twelfth line: replace "63 per cent in 1986" by "66 per cent on average from 1984 to 1986".

Page 5, paragraph 13, last two lines: delete "Switzerland would be making a new contribution to the discussions in the Negotiating Group on Agriculture in the near future".

Page 12, paragraph 27, fourth line: delete "red".

Page 12, paragraph 27, sixth line: replace "were established" by "were normally established".

Page 12, paragraph 27, seventh line: replace "through a commission which took into account" by "taking into account".

Page 12, paragraph 27, eighth line: replace "quotas were set" by "in general, quotas were set".

Page 12, paragraph 27, ninth line: replace "For meat" by "For certain categories of meat (adult cattle and calves)".

Page 13, paragraph 28, sub-paragraph (a), first line: replace "declined" by "declined inter alia".

Page 13, paragraph 28, sub-paragraph (c), fifth line: replace "Therefore, producers were switching to butter" by "Producers were therefore tending to produce more butter".

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\* Page references are to the English version of Spec(88)11/Rev.3.

Page 14, paragraph 30, eleventh line: replace "of the meat industry" by "involved in the meat production and marketing process".

Page 14, paragraph 30, twelfth line: replace "represented on the committees which decided the" by "consulted in the procedures for the".

Page 17, paragraph 35, sub-paragraph (a), third line: replace "a State monopoly" by "the Federal wheat authority".

Page 17, paragraph 35, sub-paragraph (a), fourth line: replace "monopoly" by "régime".

Page 17, paragraph 35, sub-paragraph (c), sixth line: replace "quotas" by "quantitative restrictions".

Page 18, first indent, first line: replace "quotas imposed" by "imports prohibited".

Page 18, sub-paragraph (f), first line: replace "were only permitted" by "were in principle only permitted".

Page 18, sub-paragraph (g), replace this sub-paragraph (g) by "red wine: it was not the quotas for imports of red wine in cask as such which had been globalized, but rather the independent adjustments of contractual quotas".

Page 18, sub-paragraph (h), first line: replace "(etc.)" by ", wine and certain dairy products".

Page 18, sub-paragraph (h), second and third lines: replace "as there were no quantitative restrictions on these products, they were" by "this matter was".

Page 20, paragraph 38, sixth line: replace "applied to milk powder" by "applied inter alia to milk powder".

Page 23, fourth and fifth lines: replace "He nonetheless commented that globalization of quotas would increase" by "He added that Switzerland was prepared to examine the possibility of carrying out further globalization".

Page 23, paragraph 46, third line: replace "had needed" by "had requested".

Page 23, paragraph 46, third line: replace "Switzerland" by "Belgium".

Page 23, paragraph 46, fourth and fifth lines: replace "Therefore they had negotiated a solid legal base for their accession" by "Switzerland had therefore had to negotiate for its accession".

Page 23, paragraph 46, fifth line: delete ",as was necessary".

Page 24, paragraph 46, fourth line: replace "dumped surpluses" by "sold surpluses at knock-down prices".

Page 24, paragraph 46, eighth line: delete "(or only?)".

Page 24, paragraph 46, ninth line: add at the end: "according to which no participant in the negotiations should strengthen its negotiating position by resorting to established GATT procedures".

Page 43, table at the bottom of the page: reverse the chronological classification, as follows:

"1975 - 1977: 22,700 t.  
1978 - 1980: 24,500 t.  
1981 - 1983: 28,000 t.  
1984 - 1986: 30,159 t."

Page 44, table at the top of the page: ditto, as follows:

"1975 - 1977: 7,207 t.  
1978 - 1980: 8,152 t.  
1981 - 1983: 7,766 t.  
1984 - 1986: 7,478 t."

Page 44, end of the first paragraph: replace "compulsory permits" by "a system of compulsory permits for shed construction".

Page 47, sub-paragraphs (b), (c) and (d): delete letters "(b), (c) and (d)" and start a new paragraph in each case.

Page 47, sub-paragraph (b): replace "(b) Generally yes" by "Generally, a licence may be granted immediately on request".

Page 47, paragraph (c): replace "(c) No" by "The period of the year in which licence applications may be submitted and/or imports effected is not limited".

Page 49, fourteenth, fifteenth and sixteenth lines: replace "None such exist in the relevant legislation of Switzerland; the idea is an interesting one, can Australia indicate any legislation in which this is the case?" by "These do not exist, in a general or binding way, in the relevant legislation of Switzerland, but we work with indicative targets in the case of eggs in shell, bovine meat and pigmeat".