Tariff quotas

1. General

Tariff quotas are the expression of Switzerland's commitment to open its market, under certain conditions, to a fixed quantity of goods at a reduced rate of duty (in-quota rate or preferential rate).

All quantitative concessions (tariff quotas) are in principle managed by means of the «e-quota» electronic system for quota management. In this connection, a distinction must be made between individual allocations carried out by the Federal Office for Agriculture (FOAG) and collective quotas (preferential tariff quotas, global quotas) managed by the Federal Office for Customs and Border Security (FOCBS).

At the time of the transmission of the import declaration, taxations are checked with respect to the quotas and processed accordingly. The clearance system «e-dec import» rejects non-conforming taxations.

Commercial goods subject to quotas must obligatorily be placed under a customs procedure by means of «e-dec import».

2. Tariff quota share allocation

2.1 Global quotas

Global quotas covering

- natural wines under tariff headings 2204.2121, 2131, 2141, 2221, 2222, 2231, 2232, 2923, 2924, 2933 and 2934 in accordance with the Ordinance on the Importation of Agricultural Products (Agricultural Import Ordinance, <u>RS 916.01</u>) and the Ordinance on Viticulture and the Importation of Wine (Wine Ordinance, <u>RS 916.140</u>),
- eggs for human consumption and eggs for processing under tariff heading 0407.2110, 2910 and 9010, in accordance with the Ordinance on the Importation of Agricultural Products (Agricultural Import Ordinance, <u>RS 916.01</u>) and the Ordinance on the Egg Market (Egg Ordinance, <u>RS 916.371</u>),
- equine animals under tariff headings 0101.2110, 2991, 3011, 3095 and 9093 in accordance with the Ordinance on the Importation of Agricultural Products (Agricultural Import Ordinance, <u>RS</u> <u>916.01</u>),
- Grain for bread under tariff headings 1001.9921, 1002.9021, 1007.9021, 1008.1021, 2921, 4021, 5021, 6031 and 9023 in accordance with the Ordinance on the Importation of Agricultural Products (Agricultural Import Ordinance, <u>RS 916.01</u>),

are allocated and managed according to the order of acceptance of the import declarations (cf. Point 3).

2.2 Preferential tariff quotas

(see also the Ordinance on the Customs Duties Applicable to Goods Traded with EFTA and EC Countries [Free-Trade Ordinance 1, <u>RS 632.421.0</u>], the Ordinance on the Customs Duties Applicable to Goods Traded with Countries which have concluded Free Trade Agreements [excluding the EC and EFTA] [Free-Trade Ordinance 2, <u>RS 632.319</u>], and the Ordinance on Preferential Customs Duties in Favour of Developing Countries, [<u>RS 632.911</u>]).

Preferential tariff quotas are also allocated and managed according to the order of acceptance of the import declarations (cf. point 3), subject to special provisions in the Ordinances as aforementioned, in the Ordinance of agricultural imports (Agricultural Import Ordinance; <u>RS 916.01</u>) and the corresponding market regulations of the agricultural legislation.

2.3 Individual tariff quotas

The FOAG allocates the shares of the individual tariff quotas to the general import permit holders in accordance with the market regulations (for instance through auction or according to the purchases carried out on the Swiss market). These allocations are adopted and monitored through «e-quota».

2.4 Dispensing with quota allocation regulation (without quota management)

Various ordinances contain provisions whereby a regulation for allocating a tariff quota or partial tariff quota is dispensed with for certain goods. This means that those entitled to tariff quota shares can

carry out each import at the fixed quota tariff rate (KZA), i.e. under the corresponding tariff number «within the limits of the tariff quota» (Article 26 of the Agra-Introduction Ordinance [AgIO]).

If in addition, there is no obligation for a general import license, each import will be admitted at the fixed quota tariff rate (KZA), i.e. under the corresponding tariff number «within the limits of the tariff quota» (e.g. tariff number 1602.1010).

Information in this regard can be obtained from the Federal Office for Agriculture, Schwarzenburgstrasse 165, 3003 Bern, Tel. +41 (0)58 462 25 11, Fax. +41 (0)58 462 26 34, E-mail: info@blw.admin.ch.

3. Management under the «greyhound system» («first come, first served» principle)

Tariff quotas as per points 2.1 and 2.2 are allocated and managed according to the order of acceptance of the import declarations («greyhound system»). The allocation of the tariff quota share is carried out electronically and automatically. Once the corresponding tariff quota is used up, customs clearances within the framework of the tariff quota are no longer possible.

4. Extent to which the quotas are used up

The extent to which each global and preferential tariff quota is used up, may be found at the following internet address:

Information companies > Importation into Switzerland > Exemptions, reliefs and preferential tariffs > Tarif quotas.

Information may be obtained from the Federal Office for Customs and Border Security, Economic measures, CH-3003 Berne (<u>e-quota@bazg.admin.ch</u>).

5. Reduced out-quota rate

For certain goods, during full supply period, the Federal Council may release additional autonomous quotas with reduced out-quota rates (THCT) within the managed period. Any GIP holder may import those goods without quantitative restriction at the reduced out-quota rate if no tariff quota parts have been released by the FOAG.

Those reduced out-quota rates are stated in the charts «<u>Réglementation d'importation ...</u>» on the FOAG's website and in the Tares or published by means of circular letters. **Due to technical reasons** clearances at the reduced out-quota rates aren't performed automatically the declarant has to request them.