

Switzerland

AGREEMENT BETWEEN THE EUROPEAN ECONOMIC COMMUNITY AND THE SWISS CONFEDERATION

AGREED BY COUNCIL REGULATION (EEC) NO 2840/72 OF 19 DECEMBER 1972¹⁴³

[...]

Article 1

The aim of this Agreement is:

- (a) to promote through the expansion of reciprocal trade the harmonious development of economic relations between the European Economic Community and the Swiss Confederation and thus to foster in the Community and in Switzerland the advance of economic activity, the improvement of living and employment conditions, and increased productivity and financial stability;
- (b) to provide fair conditions of competition for trade between the Contracting Parties;
- (c) to contribute in this way, by the removal of barriers to trade, to the harmonious development and expansion of world trade.

[...]

Article 23

1. The following are incompatible with the proper functioning of the Agreement in so far as they may affect trade between the Community and Switzerland:

- (i) all agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition as regards the production of or trade in goods;
- (ii) abuse by one or more undertakings of a dominant position in the territories of the Contracting Parties as a whole or in a substantial part thereof;
- (iii) any public aid which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods.

2. Should a Contracting Party consider that a given practice is incompatible with this Article, it may take appropriate measures under the conditions and in accordance with the procedures laid down in Article 27.

[...]

Article 27

1. In the event of a Contracting Party subjecting imports of products liable to give rise to the difficulties referred to in Articles 24 and 26 to an administrative procedure, the purpose of which is to provide rapid information on the trend of trade flows, it shall inform the other Contracting Party.

2. In the cases specified in Articles 22 to 26, before taking the measures provided for therein or, in cases to which paragraph 3(d) applies, as soon as possible, the Contracting Party in question shall supply the Joint Committee with all relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Contracting Parties.

In the selection of measures, priority must be given to those which least disturb the functioning of the Agreement.

The safeguard measures shall be notified immediately to the Joint Committee and shall be the subject of periodical consultations within the Committee, particularly with a view to their abolition as soon as circumstances permit.

3. For the implementation of paragraph 2, the following provisions shall apply:

(a) As regards Article 23, either Contracting Party may refer the matter to the Joint Committee if it considers that a given practice is incompatible with the proper functioning of the Agreement within the meaning of Article 23(1).

The Contracting Parties shall provide the Joint Committee with all relevant information and shall give it the assistance it requires in order to examine the case and, where appropriate, to eliminate the practice objected to.

If the Contracting Party in question fails to put an end to the practice objected to within the period fixed by the Joint Committee, or in the absence of agreement in the Joint Committee within three months of the matter being referred to it, the Contracting Party concerned may adopt any safeguard measures it considers necessary to deal with the serious difficulties resulting from the practices in question; in particular, it may withdraw tariff concessions.

(b) As regards Article 24, the difficulties arising from the situation referred to in that Article shall be referred for examination to the Joint Committee, which may take any decision needed to put an end to such difficulties.

If the Joint Committee or the exporting Contracting Party has not taken a decision putting an end to the difficulties within 30 days of the matter being referred, the importing Contracting Party is authorized to levy a compensatory charge on the product imported.

The compensatory charge 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.

- (c) As regards Article 25, consultation in the Joint Committee shall take place before the Contracting Party concerned takes the appropriate measures.
- (d) Where exceptional circumstances requiring immediate action make prior examination impossible, the Contracting Party concerned may, in the situations specified in Articles 24, 25 and 26 and also in the case of export aids having a direct and immediate incidence on trade, apply forthwith the precautionary measures strictly necessary to remedy the situation.

[...]

DECLARATION BY THE EUROPEAN ECONOMIC COMMUNITY CONCERNING THE REGIONAL APPLICATION OF CERTAIN PROVISIONS OF THE AGREEMENT

The European Economic Community declares that the application of any measures it may take under Article 23, 24, 25 or 26 of the Agreement, in accordance with the procedure and under the arrangement set out in Article 27, or under Article 28, may be limited to one of its regions by virtue of Community rules.

DECLARATION BY THE EUROPEAN ECONOMIC COMMUNITY CONCERNING ARTICLE 23(1) OF THE AGREEMENT

The European Economic Community declares that in the context of the autonomous implementation of Article 23(1) of the Agreement which is incumbent on the Contracting Parties, it will assess any practices contrary to that Article on the basis of criteria arising from the application of the rules of Articles 85, 86, 90 and 92 of the Treaty establishing the European Economic Community.