



Doing Business in Switzerland:

2014 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business in Switzerland

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Market Overview

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- Switzerland's population of 8 million is affluent and cosmopolitan
- GDP of about USD 631 billion; growth forecast of 2.2% for 2014
- In 2013 total exports from the U.S. to Switzerland amounted to USD 27 billion.
- U.S.-Swiss trade generally stable despite financial and economic crisis;
- World-class infrastructure, business-friendly legal and regulatory environment
- Highly educated, reliable, and flexible work force
- Consumer and producer of high-quality, value-added industrial/consumer goods
- Manufacturing sector is highly automated and efficient
- Strong market demand for U.S. components and production systems
- Strong demand for high quality products with competitive prices
- Highest per capita IT spending in the world
- Multilingual/multicultural European test market and business environment
- Many U.S. firms with European and regional headquarters in Switzerland

Market Challenges

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- Market is sophisticated, quality-conscious, high-tech and competitive
- An epicenter of European and global competition
- While EU-type regulations and standards exist in general, there are significant exceptions
- Unique Swiss requirements for pharmaceuticals, cosmetics, detergents, and chemicals

Market Opportunities

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- Products with relatively advanced technologies are best prospects
- Switzerland is strategically placed as a gateway to EU markets
- Ideal test market for introduction of new high tech and consumer products
- Excellent platform for marketing into Europe, Middle East and Africa
- High concentration of computer/Internet usage per capita
- Sophisticated market for U.S. devices
- Switzerland is becoming a European center for commercial aviation business
- Fast growing demand for highly sophisticated security equipment/systems
- One of the world's top countries for R&D

- Excellent opportunities for partnerships in biotech, nanotech, and renewable energies, especially solar
- Significant assets pooled from around the world under Swiss management, creating excellent opportunities for U.S. financial services providers

Market Entry Strategy

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- Express commitment to the market and establish long term relationships
- Work directly with Swiss importers/distributors for maximum market penetration
- Be prepared to meet customer's needs and willing to sell in small volumes
- Offer high quality and environmentally friendly products
- Enter the market early to gain and maintain competitive edge
- Evaluate carefully prospective partner's technical qualifications and ability to cover the German, French and Italian regions

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/3431.htm>

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Using an Agent or Distributor

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Under Swiss law, agents are independent. They can work for several firms and are compensated by commission. A 1949 federal law on agency contracts governs their activities. Swiss law does not permit a principal to inspect the books of his/her Swiss agent. The law defines traveling salespeople (Handelsreisende) as employees of the company they represent. Under a 1941 federal law, they are entitled to a fixed salary, with or without commission, and reimbursement of travel and entertainment expenses.

For U.S. exporters interested in entering the Swiss market, finding and selecting the right person or firm for representation is important and sometimes difficult. Offering favorable terms may be required to obtain good representation for a new product or an unknown firm.

Viable Swiss firms are listed in the official trade registry. Once a potential partner has been identified, it is advisable to request a financial profile of the company. This can be obtained at a relatively low cost from Dun & Bradstreet in the United States.

Establishing an Office

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The actual mechanics of forming and registering an office in Switzerland can be accomplished in two to four weeks, but the planning process can be more time-consuming and involves many factors. Probably the most important factor to consider for establishing an office in Switzerland is location. Tax laws, availability of work permits, availability of labor force, and availability and cost of business facilities vary widely among cantons. Some cantons may offer special incentives for foreign investors.

As a rule, any trading, manufacturing or other form of commercial enterprise is required to be registered in the commercial register. It is only after registration in the commercial register that legal entities receive their own legal personality and status. The firm or business name under which a commercial enterprise is operated can be freely chosen, as long as it complies with legal regulations. Registration documents contain the company name, amount of share capital, business purpose, names of directors and managers, and names of those who have signatory powers. Documents must be notarized and legalized by an "apostil" (legalization of the notary's signature) and, if required by the particular canton, translated by a recognized translator into German, French or Italian (the official languages of Switzerland).

The company's board of directors must consist of a majority of Swiss citizens, residing in Switzerland. However, with the exception of ownership interests in banks and real estate firms, foreigners may hold majority shares. Foreign-controlled companies usually meet this requirement by nominating Swiss directors who hold shares and perform functions on a fiduciary basis. The manager need not be a Swiss citizen, but at least one person authorized to sign with a sole signature or two persons authorized to sign by joint signature must be Swiss residents.

Registration also includes special wording that the company, if a branch of a foreign corporation, is relatively independent, economically and otherwise, from the corporation's head office. This basically enables the branch to exist as if it were a separate legal entity in Switzerland. The branch must have its own books of account, although such books may be kept by the company headquarters or by a third party. A branch does not enjoy limited liability. For that reason, American companies should normally set up a subsidiary.

Employment regulations and restrictions are often a concern to businesses once they have registered. Foreign employees must have work permits that are granted at the cantonal level (quotas apply) and approved at the federal level. Hiring Swiss residents is more straightforward. There is no minimum wage, but the company is liable for a host of benefits and compensations, ranging from pension plan contributions to health and accident insurance.

Compared to other countries, the legal regime governing the employment relationship in Switzerland is generally more liberal and favorable towards the employer than in many other countries. This is partly because labor unions are somehow less influential in Switzerland compared to, for example, labor unions in EU countries, but also because the unemployment rate traditionally has been and still is relatively low in Switzerland. A final factor that needs to be taken into consideration when setting up a business is tax liability. As a rule, foreign companies have a tax liability on income attributable to a Swiss permanent establishment or income from immovable property located in Switzerland, including gains on the sale of such property. Withholding tax is levied on dividends and certain kinds of interest.

Under the U.S.-Switzerland treaty on double taxation, income from industrial and commercial activities is not taxed in either country unless derived from a permanent establishment in the taxing country. Switzerland taxes only those industrial and commercial profits of a U.S. permanent establishment in Switzerland attributable to in-country activities. The same deductions are allowed in determining taxable income as for

a Swiss corporation. Detailed information on investment in Switzerland is included in the Investment Climate Statement, Chapter 6.

Detailed information regarding setting up and staffing a business enterprise in Switzerland is available from the Swiss-American Chamber of Commerce and from the Handbook for Investors, Business Location in Switzerland (www.invest-in-switzerland.com) published by Osec, Business Network Switzerland.

LocationSwitzerland

<http://www.locationswitzerland.com/internet/osec/en/home/invest/us.html>

Swiss-American Chamber of Commerce

www.amcham.ch

Franchising

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Switzerland's small geographic size and population of 8 million makes it a challenging market for franchising. Although some well-known franchise names like Starbucks, Burger King and McDonald's are established, Switzerland's limited market size, high salaries and high cost of services are all factors that make it difficult for a Swiss master franchisee to be profitable. Since the margins in many sectors are shrinking, it is increasingly difficult to generate a substantial return from a franchise operation. Another factor that makes franchising challenging is the Swiss consumer preference for high quality, authentic products and innovative ideas. Also limiting the interest in franchising may be the lack of the availability of financing for the Swiss to operate their own distribution, retail chains or stores in Switzerland.

The key to establishing a franchise concept in the Swiss market is the master franchisee or a language area franchisee. Switzerland is a small and multilingual country. Therefore, franchises should be tested in different cultural and linguistic environments: French in Geneva and Lausanne; German in Zurich, Basel and Bern; and Italian in Lugano.

It is advisable to undertake a feasibility study coupled with a sound business plan prior to signing new franchisees. To achieve maximum market penetration, U.S. franchisers should therefore adapt to the norms, standards and high end user expectations. Only rarely can a franchise concept be implemented directly from the United States. Thus, a U.S. franchiser should show flexibility when entering the Swiss market. Since Switzerland is a high-priced country, potential franchisees may find it advantageous to centralize the purchase of supplies in order to offer attractive prices to the consumer.

The legal framework for franchising is the Swiss Code of Obligations, which covers legal situations in agency/licensing agreements, contracting, order placing, business formation and incorporation, as well as brand, trade name and commercial or intellectual property protection.

Home shopping is popular in Switzerland. This method of direct marketing has grown enormously in the past few years. The Swiss home shopping boom has reached a record high, and products range from Tupperware and Mary Kay Cosmetics, to lingerie to new recipes and cleansing agents. More and more people are going online to fill their shopping basket with groceries, bringing success to outfits offering online grocery shopping. This market segment still accounts for less than one percent of Swiss retail sales, but is slated to grow substantially in the years to come. There are more than 5,700 members of the Swiss Association of Direct Marketing Companies (Schweizer Verband der Direktverkaufsfirmer VDF), excluding mail order companies.

Most of the products sold at so-called home shopping parties are top quality and innovative and cannot be found at retail stores. Within the VDF association only the British company Body Shop offers the identical cosmetic and personal hygiene products that can be found in company shops and for the same price. Most Swiss consider the advantages of home shopping to be the following: competent advice offered by the sales person; the relaxed and friendly atmosphere of the private location; the combined experience of shopping and meeting with friends; and the possibility of testing the products on the spot. The following paragraphs describe some of the most popular types of products sold through the direct marketing system in Switzerland.

Books and music: The Bertelsmann-Verlag (Random House) is an example of a large multimedia firm that sells books, CDs, DVDs, videos and a range of products and services.

Personal Hygiene: Beauty products are sold via personal demonstrations at private locations. Personal hygiene products ranging from soap to night creams are ideal for direct sale as home shoppers can try out the various products and profit from the personalized consultation. Amway is one of the strongest representatives in this sector, offering cosmetics and a whole variety of personal hygiene products. Other companies established in the Swiss market include Mary Kay Cosmetics, Deesse, Just, Jafra, Blidor AG and the Body Shop.

Jewelry and Apparel: Companies like Jenny Lane, Pierre Lang and Swiss Feeling AG successfully sell costume jewelry. The direct sale of clothing items has by and large failed due to the modest margins and the huge variety of products. However, direct sales of lingerie for women are gaining in popularity.

Cleansing Agents: "Just" brand products have been sold through home shopping for generations. Other companies that sell top quality, ecologically friendly cleansing products include Blidor, L. Zollinger AG, and Amway.

Household Articles: Items range from Tupperware (almost every Swiss household has at least one of their famous items) to special cooking pots and pans. A huge variety of electrical appliances and various cleaning devices can also be found in this sector. New-to-market products are especially popular with home shoppers. Borna, Bandar Genossenschaft and Lux are all active in this market segment.

Food/Nutrition: Direct sales are growing for food items like fat-free bouillon, sauces and salt-free spice mixes; multivitamin products and food supplements and power-drinks that

cover a whole day's requirement for vitamins, proteins and minerals. Nahrin AG, Edifors and NBC Nutrition & Bodycare Concept AG are the major competitors in the nutrition sector.

The members of the Swiss Association of Direct Marketing Companies (VDF) are obliged to comply with a code of honor, and by Swiss law, sales contracts may be rescinded within seven days. Many of the VDF members are willing to accept returns even after this time period has elapsed. The association offers assistance should consumers experience problems or misunderstandings that cannot be solved directly with the sales person or manufacturer. New companies that apply for VDF membership must undergo an extensive examination, conducted by the association.

Swiss Association of Direct Marketing Companies
www.svdf.ch

Joint Ventures/Licensing

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Swiss government agencies use competitive bids for procurement. As a signatory to the WTO GPA, Switzerland complies with general international rules on procurement by government entities. Switzerland's federal government and cantonal governments are covered http://www.wto.org/english/tratop_e/gproc_e/appendices_e.htm#appendixl. Procurement at the federal level is generally limited to projects in sectors in which it has primary responsibility -- utilities, transportation, communications, defense and construction.

The Swiss Federal Government has put a priority on funding for research and education. U.S. manufacturers of scientific and laboratory instruments stand a realistic chance to supply a significant portion of the resulting procurement. Total federal government procurement averages over USD 6 Billion annually. The Defense Ministry has some restrictions on foreign purchases. The cantonal and communal governments implement public projects amounting to procurements of about USD 15 billion annually.

The federal government exercises a great deal of discretion in inviting bids, and selective, discretionary tenders are more common than are public tenders. Contrary to cantonal and communal practice, federal authorities are not required to inform an unsuccessful bidder of the tender award or reasons for the choice. In general, quality and technical criteria are more important than price in bid decisions. Cantons and communes usually prefer local suppliers. Foreign firms may be required to provide a Swiss bank guarantee if they have no local office or representation.

Notices of Swiss government tenders are published in the official trade journal *Handelsamtsblatt*. Tender documents can be obtained free from the Swiss government agency (www.simap.ch). While there is no requirement to have a local agent to bid, it is advantageous when equipment needs training, service or parts.

Swiss Official Gazette of Commerce
www.shab.ch

Procurement by armasuisse, part of the Federal Department of Defense, Civil Protection and Sports better known by its acronym DDPS, may involve offsets. With regard to national security and armament policy, offset or compensation transactions in cases of procurements abroad have proven successful. As in the past, offset transactions are expected to open up access to foreign markets for Swiss industry or to strengthen its position in these markets. In particular, offset transactions may lead to the acquisition of additional know-how and consequently to additional export value, if the Swiss industry can offer its services at competitive conditions. The Swiss defense department is heavily reliant upon cooperation and expertise from foreign companies due to limited capability in Switzerland.

Additional information may be obtained from armasuisse by visiting:
<http://www.ar.admin.ch/internet/armasuisse/en/home.html>

The most effective method of importing into and distributing within Switzerland depends on the type of product and the location of manufacturing or distribution sites. Capital goods manufacturers may find direct exporting most desirable when contracts with a limited number of customers represent an appreciable share of the market. However, most new-to-market exporters and exporters with products that require training for use and after-sales service should engage the services of a technically qualified Swiss agent with good market knowledge. As a rule, Swiss buyers of raw materials use specialized importers. Large orders, however, may also be placed directly with foreign producers.

Some of the largest international trading and transit companies are based in Switzerland. They operate a network of bonded warehouses and other relevant facilities offering any kind of services needed in international trade.

Suppliers of consumer goods may deal with an importer/wholesaler, engage the services of a representative, or sell directly to buying offices of large retail chains, especially if dealing with mass-produced goods. Often a representative or agent, who usually specializes in one or more product groups, is responsible for distribution in the whole country.

Import and Wholesale Trade: Many Swiss wholesalers are also importers who generally expect exclusive regional or national rights for the imported product. Wholesalers maintain stocks of a range of products and provide quality control, transport, warehousing, and financing. Associations of wholesalers in various sectors protect their common interests and facilitate more effective competition with other forms of distribution. Most wholesalers and importers also belong, either through sector associations or individually, to the Federation of Swiss Importers and Wholesale Traders (Vereinigung des Schweizerischen Import- und Grosshandels <http://www.vsig.ch/>).

Retail Trade: Vertically integrated retailers dominate the Swiss market. Department stores, chain stores, consumer cooperatives, discount stores and supermarkets comprise the majority of such retailers that deal in a wide range of products and

services. Their vertical structure and centralized buying give them a competitive advantage over independent retailers. The structure of retail trade in Switzerland is changing fast. The number of independent retailers is decreasing, giving way to a growing number of discount stores and supermarkets. Retailers with competitive prices such as IKEA and Media Markt are gaining market share. Individual retailers have set up organizations to provide wholesale purchasing, importing, and other services to compete with the large, vertically integrated retail establishments. Most of the leading retailers are legally structured as cooperatives. In addition to the common department store product lines, they also carry textiles, leather goods, sports articles, pharmaceuticals, toys, and hardware.

Swiss retailers continue to streamline their operations in response to domestic and international competition. Scanner cash registers for bar-coded articles are now standard, and state-of-the-art systems for automated payments without cashiers are in the testing phase. The use of credit cards for payment is now acceptable in most shops.

Selling Factors/Techniques

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New-to-market U.S. exporters gain considerable market exposure through trade shows in Switzerland. Moreover, participation in trade shows demonstrates a commitment to the market. Swiss buyers, agents and distributors, to a greater extent than their U.S. counterparts, visit trade shows to find new products.

An exporter's offer must be accurate and comprehensive if it is to be taken seriously by the Swiss. The Swiss receive offers from all over the world, and they are unlikely to devote time to requesting additional details if not already included in marketing information. Relevant information must be provided at the outset with objective and detailed information, including the following: exact product description with technical specifications; price details (CIF or FOB) in U.S. dollars or Swiss francs; method of payment; quantities available; packaging; and transport and delivery terms. An offer should also include information on the exporting firm; production equipment available and quality control factors; and financial references. If minimum quantities for accepting orders are part of contract negotiations, the exporter should adapt to the Swiss importer's needs, taking into account the relatively small size of the Swiss market. Commitments should be scrupulously observed or the likelihood of success in the market may be seriously compromised. In the relatively small Swiss market, maintaining a company's good reputation is critical. Prospective Swiss business partners place high value on a long-term business relationship and commitment to the market.

Payment terms are usually stipulated in the sales contract, can be negotiated, and depend upon the amounts involved. Most common terms are the following: payment 30-60 days net (from the date of the invoice); payment within 10-15 days with 2-3% discount; and payment after 30-60 days with an interest charge. Good customers may expect credit of up to three months. Except for single, one-time transactions, or first-time transactions where there is doubt about the recipient's credit-worthiness, the costly letter of credit (LC) procedure should be avoided. An LC is perceived as depriving the recipient of the means to make deductions for faulty products or shipping problems.

With approximately 75 percent of the Swiss population regularly using the Internet, Switzerland is among the leading countries in the world in broadband Internet usage. Expenditures in telecommunication technologies per capita in Switzerland are among the highest in the world. Private Internet use is the second highest in Europe, and Switzerland ranks third in terms of E-commerce. Many Swiss use the Internet to buy travel services, to do grocery shopping, to order consumer electronics, computers and, increasingly, household and fashion items. Online sales of Switzerland's two largest retail supermarket chains, Coop and LeShop.ch, which is a subsidiary of retail giant Migros, are on the rise. The market was worth USD175 million in Switzerland in 2012 and is estimated that demand for online grocery shopping will increase to USD315 to USD420 million over the next five years. Online sales of drugs and pharmaceuticals are also growing, as is the popularity of mail-order shopping companies. Switzerland's manufacturers' representatives and dealers are increasingly using e-commerce for B2C sales.

Swiss companies use online procurement to accelerate and streamline B2B business processes and to optimize their supply chain and internal processes. On the whole, Swiss companies are currently investing in security, intranets, services (such as web-enabled process optimization), storage, mobile internet, integration of conventional IT and the internet, content management, CRM, ERP, networking, and web publishing. Initially the domain of large corporations, e-commerce is being embraced by more and more of Switzerland's 300,000 small and medium-sized enterprises.

Print Media: With much linguistic and cultural diversity, Switzerland has one of the highest per capita densities of newspapers in the world. As a result, many papers are geared to particular regions or localities. The number of dailies has changed only slightly in the past 50 years, but circulation figures have more than doubled. There are over 100 daily or weekly local papers distributed for free and supported by advertising. The Swiss also publish an extensive range of periodicals, trade, and special interest magazines, including those concentrating on travel, gastronomy, medicine, environment, and hobbies.

Given the diversity of publications and the intrinsic characteristics of Switzerland, it is advisable to work through a professional advertising firm, such as Publicitas, when planning an advertising campaign.

Publicitas Swiss Press
Holbeinstrasse 30
8022 Zurich
Tel. +41 44 250 37 00, Fax. +41 44 250 37 37
E-Mail: swisspress@publicitas.ch

Major Swiss Newspapers and Periodicals

Daily Newspapers (German):
Neue Zürcher Zeitung

Tages-Anzeiger
Der Bund

Daily Newspapers (French):

24 heures
Tribune de Genève
Le Matin
Le Temps

Daily Newspapers (Italian):

Corriere del Ticino
Giornale del Popolo

Weekly Newspapers (German):

Handelszeitung
Sonntagszeitung
Die Weltwoche

Business Magazines:

FACTS
Cash
Bilanz
Bilan
L'Hebdo

Pricing

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In determining the selling price of a product, particularly for consumer goods, an exporter must take into account the difference between the price an importer is prepared to pay and the prevailing retail selling price. The costs of distribution combined with retail margins may increase the selling price substantially. Markups in Switzerland generally range from 20 to 100 percent and can be even higher.

Price controls, part of Swiss competition law since 1986, are primarily aimed at reducing abusive prices for goods and services resulting from a lack of competition and apply only to members of a cartel or similar organizations subject to this law. Parliament has established an office to look into prices that appear to be too high. Although this office maintains considerable informal clout, it cannot institute legal action. The prices of some products are directly influenced by government measures; these products are primarily agricultural goods and pharmaceuticals.

Sales Service/Customer Support

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Finding a reliable means of providing rapid and efficient quality service and after-sales customer support is absolutely essential in Switzerland. Concluding a sales contract is usually dependent upon the ability to provide this follow-up service which may involve one or more of the following measures: opening an office in Switzerland; finding a competent agent/distributor to provide after-sales service; and/or keeping replacement stock in a Swiss or European warehouse.

With the exception of Switzerland's deeply inadequate internet piracy laws (outlined in the United States Trade Representative's annual "[Special 301 Report](#)"), the Swiss legal framework ensures appropriate protection of intellectual property and its enforcement. This topic is discussed more thoroughly under Investment Climate section on "Protection of Property Rights" Patent applications, trademark or design registrations can be submitted to the Swiss Federal Institute of Intellectual Property (Eidgenössisches Institut für Geistiges Eigentum) (<http://www.ige.ch/defaulte.htm>). In almost all cases, foreign and domestic rights holders are afforded equal protection.

Several general principles are important for effective management of intellectual property rights in Switzerland. First, it is important to have an overall strategy to protect IPR. Second, IPR is protected differently in Switzerland than in the U.S. Third, rights must be registered and enforced in Switzerland, under local laws. Companies may wish to seek advice from local attorneys or IP consultants. The U.S. Embassy's Political/Economic Section can provide a list of local lawyers upon request.

It is vital that companies understand that intellectual property is primarily a private right and that the U.S. Government generally cannot enforce rights for private individuals in Switzerland. It is the responsibility of the rights holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. While the U.S. Government is willing to assist, there is little it can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IPR in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should USG advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Switzerland require constant attention. Work with legal counsel familiar with Switzerland laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IPR and stop counterfeiting. There are a number of these organizations, both Switzerland or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)

- Biotechnology Industry Organization (BIO)

IPR Resources

A wealth of information on protecting IPR is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the U.S. and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the U.S., contact the US Copyright Office at: **1-202-707-5959**.
- For U.S. small and medium-size companies, the Department of Commerce offers a "SME IPR Advisory Program" available through the American Bar Association that provides one hour of free IPR legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and Thailand. For details and to register, visit: http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IPR-infringing products) and allows you to register for Webinars on protecting IPR.

Due Diligence

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Although the vast majority of Swiss importers are financially reliable business partners for U.S. exporters, there are, nonetheless, occasional bankruptcies. Therefore, U.S. exporters should use normal precautions and analyze relevant company financial background information before establishing a business relationship.

The Swiss Trade Register is a key source for checking the background of Swiss companies. Swiss companies with annual sales of SFr. 100,000/ \$ 110,000 or more must be listed in the Swiss Trade Register with the following information:

- name of firm
- legal form
- head office (legal domicile)
- list of branch offices, purpose
- owners, partners, managing directors
- persons having power of attorney
- number of shareholders
- year of establishment
- share capital
- registration number

Any firm listed in the Swiss Trade Register is considered a legitimate company and is required to keep accounts and to maintain a balance sheet. However, the register does not reveal information about a company's financial status and business practices.

Debt enforcement agencies provide information on whether or not any debt collections were made by Swiss companies. Debt enforcement agencies require a letter of interest in order to provide this type of information.

The Swiss Commercial Register is based on Federal Law, the Code of Obligations, and is implemented within the individual cantons. The Federal Office of Justice maintains Zefix (Central Business Names Index on the Internet), a listing of the cantonal registers of companies. Entries and changes in the commercial register are published in the Swiss Commercial Gazette (SHAB). Each canton also maintains information on whether or not a registered company has defaulted on payments. That information can be obtained directly from the relevant cantonal debt enforcement office.

The Kompass Register, a listing of most Swiss companies, is roughly equivalent to the American Thomas Register. Provided by the listed companies, the information includes complete contact address, bank reference, name of president, members of the Board and managing director, a short description of company's activity, trademarks, share capital, number of employees, and year of establishment. The Kompass CD is available from:

Kompass Schweiz Verlag AG

Hagenholzstrasse 81

CH-8050 Zurich, Switzerland

Tel: +41 44 305 12 80, Fax: +41 44 305 12 14

E-Mail: info@kompassonline.ch

It should be noted that extensive information on Swiss companies can be obtained from the Federal Commercial Register (www.zefix.ch).

Local Professional Services

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When American citizens are involved in disputes with either private individuals or business enterprises and the controversy cannot be settled amicably, the normal recourse is to seek remedy provided by the law of the appropriate cantonal jurisdiction. American diplomatic or consular officers may not act as attorney, agent, or representative in a fiduciary capacity in such matters. If legal action is to be undertaken in Switzerland, a local lawyer should be engaged either directly or via an American attorney. Since there are differences in the legal systems in Switzerland and the U.S., ignorance of those differences could jeopardize a case almost before it begins. The Swiss lawyer must file a complaint with the court, and the court then decides whether to serve or not. The Martindale-Hubbell Law Directory contains an extensive list of lawyers licensed to practice in Switzerland. The Embassy's Consular Section also maintains a list of lawyers by canton on its website below.

The only methods for a non-Swiss court or lawyer to obtain testimony or to serve process in civil matters in Switzerland are through the Hague Convention on taking of Evidence Abroad in Civil or Commercial Matters, the Hague Convention on the Service

Abroad of Judicial and Extra-judicial Documents in Civil and Commercial Matter and through a letter interrogatory. For information on this rather cumbersome legal process, contact either the Embassy Bern Consular Section bernacs@state.gov or the Office of Citizens Consular Services in the Department of State (202) 647-5226.
U.S. Embassy Bern Consular Section

Web Resources

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Swiss Official Gazette of Commerce, www.shab.ch
Swiss Franchise Association, www.franchiseverband.ch
Swiss Association of Direct Marketing Companies, www.svdf.ch
Swiss Federal Institute of Intellectual Property, www.ige.ch
Federal Commercial Register (Central Business Names Index), www.zefix.ch
Kompass Schweiz, www.kompass.ch
Swiss Bar Association, www.swisslawyers.ch

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- Aircraft and Parts
- Automotive Parts
- Educational Equipment and Supplies
- Electric Power Generating and Distribution Equipment
- Laboratory and Scientific Instruments & Equipment
- Medical Equipment
- Safety and Security Equipment
- Information and Communication Technologies
- Travel and Tourism

Agricultural Sector

- Agricultural Sector

Aircraft and Parts

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The total Swiss market demand for civilian aircraft and parts, including components and avionics, was valued at USD 1.490 billion in 2012 and is expected to grow by 2-4% in 2013. U.S. suppliers garnered a market share of almost 30% of the overall import market in 2012. The market share gain can best be attributed to a larger export output of aircraft in 2012. Switzerland has a relatively large number of operators of aircraft given the small size of the country, including the national flagship carrier SWISS (part of the Lufthansa Group), operators of regional and business jets, air taxi services as well as a substantial number of privately held aircraft.

Switzerland's sole aircraft maker, Pilatus Aircraft Ltd., develops and produces high-performance single-engine turboprops: PC-12 business- and utility Aircraft, PC-21, PC-7MkII and PC-9 Turbo military trainer aircraft. The plane maker is particularly world renowned for its development of single-engine turboprop aircraft, the PC-12 civilian aircraft. The Swiss plane maker marked the delivery of the 1,200th PC-12 in 2013. This milestone is underscored by the high performance of the aircraft, rugged durability, versatile, and excellent operating economics. Pilatus launched the PC-24 Twin-Jet at the annual European Business Aviation Conference and Exhibition (EBACE) in Geneva in May 2013. The content of U.S.-sourced technology is substantial. The PC-24 will be powered by two Williams FJ44-4A turbines. Avionics will be provided by Honeywell. Pilatus expects FAA and EASA certification 2017.

The company reported solid results in 2012 in a very difficult market environment with an annual output of 86 aircraft deliveries, thereby ensuring demand for avionics, engines, parts and components from U.S. suppliers. U.S. content of the PC-12, Pilatus' flagship aircraft, is significant – this illustrates how intertwined the U.S. aviation industry is with the Swiss plane maker. Pilatus also produces the military trainer aircraft, the PC-21, newly developed for modern air forces around the world. The plane maker secured 79 orders for the sale of 25 PC-21 turboprop aircraft from Saudi Arabia and Qatar. Winning

the contract with the UAE constitutes an excellent boon for U.S., given the high U.S. content of the PC-21, thereby accelerating growth in the Swiss defense aviation industry. In addition to Pilatus, a string of Swiss aerospace companies source parts, components and avionics from U.S. suppliers.

Switzerland has over 30 manufacturers involved in the development, production and assembly of structural components, systems integration and services for aircraft, helicopter and systems that stem from defense and civilian aeronautics and space technology. These companies are receptive to the idea of broadening their U.S. supplier list and interested in new product offerings. One of the key players is Ruag Aviation, an international Technology Group, active in two segments: Aerospace & Technology and Defense & Security.

Although private jet aviation as a business productivity tool is already well accepted in the United States, Switzerland has been slower to embrace this concept. However, Swiss executives and politicians are increasingly taking advantage of business jets for flexibility and to avoid congested airports and flight delays, and demand is steadily increasing in the business/regional market segment. Corporate jets available in the market encompass a wide spectrum, ranging from twin-engine turboprops to reconfigured jetliners, although the number of propulsion airplanes dwarfs the number of twin-engine turboprops.

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Federal Office for Civil Aviation (FOCA): <http://www.aviation.admin.ch/>

Swiss Aeronautical Industries Group (SAIG): <http://www.swissmem.ch/>

Annual European Business Aviation Convention & Exhibition (EBACE 2014) to be held in Geneva on May 20-22, 2014, URL: <http://www.ebace.aero/>

Automotive

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The total Swiss market demand for automobiles, busses, automotive parts, equipment and accessories was assessed at USD 20.2 billion in 2012. With Switzerland coming out of an economic downturn, the GDP is forecast to grow is assessed at 1.3% in 2013. Industry sources are optimistic, predicting higher growth for automobiles, auto parts, accessories and aftermarket products in 2013. Consumers are continuing to exercise prudence when it comes to procuring new automobile purchases and accessories in order to weather the economic woes that might lie ahead. Imports from Germany have traditionally had a solid market share, capturing nearly 50% of the market, followed by France with 12% and Japan with 11%. In 2012, U.S. suppliers exported goods of nearly USD 1 billion, accounting for an approximately 7% market share. Demand for U.S. imports is expected to remain steady in 2013 as Swiss importers and distributors are capitalizing on the relative strength of the franc against the dollar, making U.S.-sourced automobiles, parts and components lucrative. The weak dollar against a strong Swiss franc makes U.S. products competitive and affordable for Swiss consumers. U.S. suppliers should carefully evaluate their pricing and sales terms to remain competitive.

Overall, Swiss automotive market demand, including sales of new and used automobiles and trucks, gasoline stations, repair and service facilities and providers of related services amounted to USD 105 billion in 2012. The overall automobile industry has established self as one of the mainstays of the Swiss economy. The overall car fleet in Switzerland is assessed at 3.85 million automobiles and is expected to grow marginally over the next two years as a result of higher retention rates of automobiles and the forecast for slow economic growth in 2012.

Although Switzerland does not manufacture automobiles, it has more than 300 enterprises involved in the production parts, components and systems for carmakers around the world, employing more than 34,000 people. Nearly 20% of the overall output is supplied to OEMs around the world. These companies yield a combined turnover of USD 15,5 billion per annum. Swiss manufacturers are heavily depended upon the German car industry; 75 of the companies are selling structures, parts and components to German OEMs.

The Swiss automotive market was liberalized on January 1, 2005, giving consumers greater choice in buying new automobiles. Many Swiss car dealers and repair facilities note that liberalization is bringing more competition into the market and is beginning to put downward pressure on prices. U.S. automobiles garnered 5% market share in 2010. Effective January 2011, Swiss authorities no longer accept a Carfax report for used automobiles sourced from U.S. suppliers, which has had an adverse impact of the U.S. export volume of used automobiles to Switzerland. Negotiations are afoot with the appropriate Swiss authorities to find a solution to the need for appropriate documentation of the “first registration” of a U.S. car.

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Swiss Federal Roads Authority: <http://www.astra.admin.ch/>

Swiss Motor Trade and Repair Association (AGVS): <http://www.agvs.ch/>

84th International Motor Show in Geneva at Palexpo (fairgrounds) <http://www.salon-auto.ch/en/> March 6-16, 2014

Educational Equipment and Supplies

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The Swiss market for educational equipment and supplies was valued at an estimated USD 2,2 billion in 2012, and imports from the U.S. amounted to an estimated USD 235 million. Switzerland spends annually the equivalent of 5.8% of its GDP on education and related activities. Public funding amounted to an overall USD 26 billion for education – the cantons (states) spent USD 20 billion and the federal government USD 6 billion in 2010 (more current data is not available). Switzerland spends about USD 13,000 annually per student, USD 3,000 more per student than the average of the 29 OECD countries. The federal government focuses on tertiary education, which includes R&D. In addition, it finances the federal universities and research institutes ETH (Zurich), EPFL (Lausanne), PSI (Zurich), and EMPA (St.Gallen, Thun, Zurich) and contributes to the cantonal universities.

The Swiss education system is quite complex. On average, the Swiss attend school until the age of 17, which is one of the highest school-leaving ages in the world.

The education system is decentralized with the cantons and municipalities taking the majority of the responsibility. Compulsory schooling starts at six years old and is free of charge, followed by Lower Secondary level (12-16 years old); Upper Secondary level which is split into general and vocational education and Tertiary level: vocational and higher university degrees; higher technical schools, universities and teacher training.

There are 12 traditional universities, eight universities of applied science, 15 universities of teacher education and further university level institutions supported by the Confederation. These higher education institutions are based in the main cities throughout French, German and Italian speaking Switzerland. The Universities are adjusting to the Bologna declaration and changing their timetables for the Bachelors degree to three years and the Masters to 1.5 years.

In the fall 2006, the Swiss Federal Council decided to spend more on research and education, with an annual budget increase of 6% between 2008 and 2011. Most federal funding goes towards the universities with about USD 852 million spent annually on research and development. About USD 540 million of this amount is earmarked for combined educational and scientific programs that are managed by the Swiss National Science Foundation (SNF), an agency of the Swiss Federal Department of Science and Education and equivalent to the National Science Foundation (NSF). The public funds are matched about equally by the private sector. As a result of strong competition among Swiss universities, private sector funding is constantly increasing and plays an important and popular role. R&D will remain a top priority in Switzerland with strong support from both the private and public sector. U.S. manufacturers of scientific and laboratory instruments for universities have excellent opportunities in the Swiss market.

In addition to opportunities on the tertiary level, two significant factors and changes in the primary and secondary Swiss curricula will boost opportunities for U.S. firms in the near future: (1) the teaching of two foreign languages, including English, is mandatory at primary and secondary schools in the vast majority of cantons, and (2) the cantonal educational book publishers supplying public schools are expected to be privatized soon. This early English instruction is expected to boost market demand for English-language educational materials.

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Rector's Conference of the Swiss Universities
<http://www.crus.ch/homenavigation/home.html?L=2>

State Secretariat for Education and Research
<http://www.wbf.admin.ch/?lang=en>

WorldDidac Basel 2014
International Educational Equipment and Supplies Trade Show
Basel, October 29 – 31, 2014
URL: <http://www.worlddidacbasel.com/go/id/ss/lang/eng/>

In spite of the global downturn, demand for electric power generating equipment is forecast to grow approximately 3-5% in 2013. Switzerland's power companies are continually seeking equipment to streamline and upgrade operations, and demand will continue to grow for power management systems (IT), switching and distribution equipment. Of the power produced in Switzerland, 40% is generated from five nuclear power plants, and the other 60% is mostly generated from hydropower, which is distributed to surrounding countries, especially Northern Italy, in order to stabilize the European grid during periods of peak demand. Hydroelectric facilities still have a limited potential for expansion but will fall short of growing demand. Other sources of renewable energy in Switzerland are in their infancy with some efforts to promote solar, geothermal and wind energy.

To prevent a predicted energy shortfall by 2020 and avoid expensive power imports, Switzerland will require an estimated USD 20-30 billion of investment in new generating facilities over the next 15-20 years.

After a year that saw Switzerland officially renounce nuclear energy, the country now has to find alternatives. Politicians are calling for action. The questions raised after the May 2011 decision of the Swiss government to abandon nuclear energy have yet to be answered. While the disaster at Fukushima focused people's minds on the risks of atomic energy, there remains great uncertainty about the future of energy supply in this country.

By 2034, when the last nuclear power plant is due to close, the Swiss government will have to find other ways to make up the electricity now supplied by its five nuclear plants. This will be a considerable challenge, given that about 40 per cent of the electricity produced in Switzerland is nuclear-generated, equivalent to 25 terawatt hours (TWh) a year.

Consuming less, improving energy efficiency, and harnessing power renewable sources such as sun and wind are all officially encouraged. Alternatives to nuclear energy are not lacking in a country that ranks as one of the most innovative in the world, and which has made water the main domestic source of electricity.

The new Federal Law on Energy Supply entered into force on January 1, 2008. The law will allow the Electricity Commission to cap energy prices and business consumers of at least 100,000 Kwh to purchase their electricity freely, therefore bypassing the expensive cantonal monopolies. The major private sector utility companies are Romande Energie, FMB, Axpo, Atel and BKW. The Swiss national grid operator "Swissgrid" is the national transmission system operator and has full responsibility for operating the 6,700 kilometers of the Swiss high-voltage grid.

The total Swiss market demand for laboratory equipment and scientific instruments amounted to an estimated USD 1,25 billion in 2012. Total imports in 2012, are estimated at USD 834 million and account for about 74% of the total market demand. The Swiss market is an attractive market for U.S. suppliers of analytical and process control

equipment and instruments, which enjoy an excellent reputation and are much in demand.

Switzerland's R&D activity, in relation to the size of the country, is rather impressive at an estimated USD 37 billion from 2007 through 2011. In addition to the wide range of research activities undertaken by Swiss universities and institutes, there is an enormous amount of research activity in the private sector, especially in the chemical, pharmaceutical, biotech, food, machinery and micro technology industries. The Swiss manufacturing industry is heavily export-oriented and depends upon the latest technology in order to retain its competitiveness on the world market. Therefore, state-of-the-art R&D remains a top priority in Switzerland.

There are a number of important new Swiss projects for research and development. Novartis Pharmaceutical is in the process of expanding its Basel global headquarters to encompass additional numerous research, production and administrative buildings in its Campus of Knowledge and Innovation. The first stages of this initiative have already been realized, and the whole project is to be completed by the year 2030. Hoffmann La Roche, the Swiss biotech company, intends to consolidate the 1,700 plus off-site workplaces in Basel at its headquarters there. In February 2011 Roche received the approval to build its 175 m high office building, which is planned for completion by the end of 2015. Since 2003, the Federal Institute of Zurich (ETH), one of Europe's premier universities, has been continually developing its location in Hoenggerberg as a model for universities in the 21st century. The ETH campus not only strengthens the knowledge base in Zurich, but also enhances Switzerland's reputation as a location for research and education.

The main end-users of laboratory equipment and scientific instruments are Swiss manufacturers, including about 180 chemical companies, 150 pharmaceutical producers, 200 biotech companies and 165 food manufacturers. Research institutes and universities, mostly federally funded, account for about 35% of the market demand and 20% of the end-user market are cantonal (state) and communal (city) laboratories.

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LABOTEC Suisse, Basel, Switzerland, May 14 &15, 2014, New specialist annual trade show for laboratory equipment and scientific instruments, which had its debut in 2011 with 100 exhibitors.

ILMAC Basel, Switzerland, September 24-27, 2013, industrial exhibition and conference for research and development, environmental and process technology in pharmaceuticals, chemicals and biotechnology, 500 exhibitors, 17,000 trade visitors. LABOTEC Suisse trade show for laboratory equipment and scientific instruments http://www.easyfairs.com/en/events_216/labotec-suisse2012

SWISS MEDLAB laboratory medicine congress and exhibition:
<http://www.swissmedlab.ch>

ILMAC main Swiss scientific and lab equipment trade show:
<http://www.ilmac.ch>

Swiss National Research Program:
<http://www.snf.ch>

Federal Institutes of Technology in Zurich and Lausanne:
<http://www.ethz.ch>, <http://www.epfl.ch>

Paul Scherrer Institute:
<http://www.psi.ch>

Swiss Federal Department of Science & Education:
<http://www.bbt.admin.ch>

Medical Equipment

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With Europe's highest per capita income, Switzerland is an attractive, demanding market with one of the best national health care systems in the world. The country's liberal trade and investment policies favor access for a host of products and technologies. The dispersed nature of its health care system, which follows the pattern of its federal structure with 26 autonomous districts (cantons), contributes to the diversity of the market.

The combination of an aging population, rising living standards and new treatment methods is causing demand to grow at an above-average pace. Accordingly, as incomes rise, so do people's willingness to spend more on health services. Leading Europe on healthcare spending, Switzerland spends about 11.4% of its GDP on its national healthcare system, following the U.S., Netherlands, France and Germany. However, as in other national healthcare systems, cost-containment is a growing concern, and there is a clear trend to reduce hospital beds and to close down some hospitals.

U.S. equipment and supplies enjoy a good reputation in Switzerland. Many Swiss doctors and professors of medicine have been trained or have practiced in the United States, and there is considerable interchange in procedures and techniques. These factors create a strong demand for U.S. equipment and supplies.

Although Switzerland's market is relatively small, it is a highly sophisticated market with a strong demand for advanced technologies. It also offers the additional benefit of being a test market that is strategically placed in the heart of Europe. The country's 300 hospitals are mostly administrated by the 26 cantons or by local municipalities. In addition, a host of private clinics and medical homes (167) cater to the needs of a demanding local and international clientele and serve as professional training grounds for physicians. Specialized services, such as transplant capacities, are mainly offered at university clinics. In addition to laboratories in doctors' private offices, hospital, clinical and independent laboratories share the Swiss market.

Dental 2012, Bern, Switzerland, June 22-24, 2014, biannual dental congress and trade fair. http://www.dentalbern.ch/index.php?new_lang=en

IFAS, Zurich, Switzerland, October 2-5, 2014, biannual trade fair for medical and hospital equipment, 400 exhibitors, 16.500 trade visitors. www.ifas-messe.ch

FASMED (Swiss Association of the Medical and Hospital Trade):
<http://www.fasmed.ch>

Swissmedic (Swiss Agency for therapeutic products):
<http://www.swissmedic.ch>

Safety and Security Equipment**Return to top**

Switzerland (pop. 8 million) sits squarely in the heart of Western Europe. Although known as a very safe country, Switzerland is becoming significantly more security conscious. A key factor influencing this notion is the increase in immigration (both legal and illegal) has been connected in the public consciousness with a perceived increase in the number of assaults, threats, fraud and drug smuggling activities. Switzerland's demographic profile has changed within the last decade. Accompanying societal changes is a growing security consciousness among the Swiss at all levels of government and in the business community with measures being taken to protect data, access control, peripheral security, transportation and other critical infrastructure. There is growing demand for equipment used in access control, contraband detection, surveillance and law enforcement. Furthermore, there are ample opportunities for sales of security products in the fields of aviation, supply chain, and retail.

The Swiss safety and security market has grown steadily at the pace of 4-6% over the last decade. The overall market was valued at a USD 685 million in 2012, with total imports valued at USD 312 million. U.S. imports accounts for approximately 50% of the overall import market. U.S. suppliers enjoy excellent acceptance in the Swiss safety and security market.

Largely predicated on sales of CCTV, biometric applications and proximity systems, large and small-sized enterprises have begun to retrofit and incorporate new systems and technologies into existing security systems. The growing Swiss presence of regional and global headquarters of U.S. and other multinational corporations represents a significant end-user market segment. Airports represent another major purchaser category based on ongoing security enhancements to meet international agreements and bilateral agreements with the EU.

The most promising growth prospects are those in newer market segments, including airport passenger and baggage screening equipment, CCTV systems, perimeter protection systems, access control systems (including biometric identification systems), law enforcement equipment, explosives and metal detectors, forensic equipment, residential alarms and other advanced electronic systems. U.S. suppliers are especially competitive in access control equipment, biometrics applications, law enforcement supplies and equipment, forensics equipment, and surveillance equipment, including

CCTV systems, and residential alarms. Major prospective buyers include public/private sector agencies, the Federal Government and local state authorities, supply chains and retailers, and airport operators.

The federal system of Switzerland and the division into three levels, i.e. municipal, cantonal and federal level, is reflected in the structure of the country's law enforcement agencies. Basically, the 26 Swiss cantons (state) have jurisdiction over their own police matters. They are responsible for recruiting, training, equipment, armament and uniforms of the cantonal police force. Decentralization of the law enforcement agencies in Switzerland constitutes market opportunities for U.S. suppliers, as each police corps is responsible for its own procurement activities.

Notwithstanding its size, Switzerland is an attractive market for law enforcement equipment, accessories, hunting and sports arms, protective gear, crime scene investigation and forensic evidence collection supplies. U.S. suppliers garnered a significant market share in 2012 in this market segment. Demand for law enforcement equipment and accessories has grown over the past few years in order to combat rising crime in Switzerland. U.S. suppliers in all areas of law enforcement have traditionally enjoyed a high degree of receptivity among the different government authorities, guns smiths and end-users.

Information and Communication Technologies

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Switzerland is one of the world's leading countries for Information and Communication Technologies (ICT). At both the individual and corporate level Switzerland is very receptive to ICT innovations. Altogether the ICT sector generates about USD 27.8 billion, accounting for approximately 8% of the gross domestic product (GDP). Switzerland is among the top ten countries worldwide in terms of the quality and depth of ICT infrastructure, as measured by the penetration of traditional fixed lines, broadband access lines, mobile phones, PCs Internet users and Internet servers. With 8% of Switzerland's GDP generated by the ICT sector, the country ranks third worldwide in this measure, behind only the U.S. (9%) and Sweden (8+%).

Telecommunications services and equipment account for almost half of the total value of the ICT market in Switzerland (43%). Software and IT equipment have about the same market share (15% and 18%), with the remaining 24% belonging to IT services (consulting and support).

Switzerland has an advanced telecom market, with one of the highest Internet and broadband penetration rates in Europe. Mobile services, including mobile Internet and broadband Internet access continue to drive the market. DSL networks have overtaken cable as the principal technology for broadband access. ADSL is available for more than 98% of telephone connections and is offered by 30 different suppliers.

The Swiss telecom market is divided primarily into the business fields of network-based communications, mobile communications, IP-based voice and data communications, and value-added services. One relatively recent branch of business is digital television, which is being marketed along with Internet access and telephony as a triple play offering via the Internet/cable network.

Swisscom is no longer the sole provider of telecommunication services. Orange and Sunrise, amongst others, operate their own networks for mobile communications and, to some extent, for fixed-line services. In February 2006, Sunrise signed a national roaming agreement with Swedish operator Tele2, which subsequently began operating as a mobile virtual network operator (MVNO). However, after being awarded its own GSM license, Tele2 launched its own mobile network and became a fully fledged network operator. In September 2008, Tele2 was acquired by Sunrise, reducing the number of mobile operators in Switzerland to just three.

In 2009 both Orange and Sunrise publicly announced their intention to merge their operations. The Competition Commission (Weko), however, blocked this deal in 2010, putting an end to any attempt to merge. On February 17, 2012, Weko agreed to allow the British firm Apax buy Orange from France Telecom. Weko announced that this sale would continue the competitive dynamics in the Swiss mobile phone market.

U.S. investments in the Swiss telecommunications market include Southern Bell Corporation's 9.5% stake in Sunrise's parent company (France Telecom), UPC Cablecom (100% owned by Liberty Global), a competitor offering VOIP and TV on demand services. Cablecom and other cable network providers deliver their communications services over the existing cable TV network. With over two million cable TV connections in Swiss households Cablecom controls the second largest network and is currently the only other company besides Swisscom that offers true triple play service (data, voice and television/radio) to its customers in Switzerland. Swisscom started its IPTV network in late 2006.

The Swiss parliament's decision in 2006 to open the "last mile" was a key event in the evolution of the Swiss telecoms market. It granted Swisscom's competitors full unbundled access to the copper-wire subscriber connection, cabling for leased lines, and high-speed bit-stream Internet access (within 4 years). Unbundling the last mile is an important step towards the full liberalization of the Swiss telecoms market and is expected to intensify competition among providers. As a result, the sector will continue to see declining prices.

Telecommunications in Switzerland are regulated by two bodies: the Federal Office of Communications (also known as OFCOM or BAKOM from its German name) and ComCom. OFCOM licenses all providers of fixed network services (without a tender procedure) and is responsible for the day-to-day management of the telecom sector. ComCom is responsible for awarding basic provision licenses, as well as licenses for the provision of mobile telephone and other radio services (through a tender procedure).

Forecasts include continued growth of information technology spending in Switzerland, a further decrease in mobile communication costs, and expanded services for third-generation mobile devices, such as IPTV. Continued strong growth is expected for VOIP solutions.

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Infosocietydays 2014, Bern, Switzerland, March 4-7, 2014
Congress and exhibition for ICT usages

<http://www.infosocietydays.ch>

Topsoft, Zurich, Switzerland, May 7-8, 2014
Annual trade show for business software
<http://www.topsoft.ch>

OFCOM (Federal Office of Communications):

<http://www.bakom.admin.ch> FOITT (Federal Office of Information Technology):

<http://www.bit.admin.ch> ComCom (Federal Communications Commission)

<http://www.comcom.admin.ch>

SWICO (Swiss Providers Association for ICT)

<http://www.swico.ch>

Swiss Association of Telecommunications Users

<http://www.asut.ch>

Travel and Tourism

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In 2012, a total of over 500,000 Swiss travelers visited the U.S., a 20% increase from the previous year. In spite of the many economic challenges, particularly in Europe, the Swiss travel trade expects another good USA year in 2012. The strong Swiss franc keeps providing travelers with attractive purchasing power.

The share of Swiss outbound travel sales made via the Internet is steadily growing. Internet sales were primarily for flights, individual hotels, and car rental reservations. About 90% of the growth in Internet sales is from travel within Europe, and Swiss travelers widely use the Internet as a source of information in planning a vacation.

Most Swiss still turn to travel agencies for purchases of packages above USD 1,000 per person as well as long haul travel. Switzerland's leading tour operators are noticing a growing trend towards more expensive trips and luxury hotels, and air travel in business class, as opposed to economy class.

The main factor supporting Swiss travel to the United States is the weak dollar, which lost value versus the Swiss franc. Other factors include the Swiss preference for safe destinations, and a relatively low language barrier. A strong additional incentive is easy accessibility with six airlines offering 17 daily direct flights to ten U.S. gateway cities on the East and West Coasts. The U.S. is becoming an alternative to typical beach vacation destinations on the Mediterranean coast, many of which are politically unstable or witnessing high crime rates. Some Swiss travel agencies that had reduced or even totally dropped their U.S. products in recent years are now back on the market and expanding their offers. Swiss media are covering U.S. cities, states and regions on a regular basis and introducing them as attractive travel destinations to their readers.

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Swiss Travel Agency Association

<http://www.srv.ch>

Swiss Travel Association of Retailers (STAR)

<http://www.star.ch>

The Visit USA Committee

<http://www.vusa.ch>

Schweizer Touristik (Trade magazine for the Swiss travel and tourism industry)_

<http://www.schweizertouristik.ch>

Travel Inside (Swiss trade magazine for tourism)

<http://www.travelinside.ch>

Agricultural Sectors

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CONSUMER ORIENTED PRODUCTS

Given Swiss generally high income and refined consumer tastes and preferences, it is not surprising that consumer-oriented products are the leading category of U.S. exports. In addition, given Swiss support programs for home-grown products and the relative distance of the United States compared to other suppliers, specialty U.S. products or those without local or nearby competition are the most successful. Notable agricultural products meeting these criteria include wine, essential oils, nuts, asparagus, fresh grapefruit, processed fruit & vegetables, certain seafood and high-quality beef. Total Swiss imports of consumer oriented food products from the United States in 2011 were valued over USD 145 million, a 15 percent increase from 2010.

Nuts:

Tree nuts, mainly almonds and walnuts, are a top Swiss agricultural import from the United States. The U.S. is the top supplier of shelled almonds and walnuts to the Swiss market. Swiss imports of all types of nuts are consistently strong, with the United States supplying a fifth of the USD 177 million worth of total imports of tree nuts for 2011.

Wine:

U.S. wines continue to show a strong shelf presence in Swiss retail outlets against tough world and local competition and there is good demand for higher quality wines in the restaurant and hotel sector. Distribution of U.S. wines is relatively well established throughout Switzerland. Swiss imports of U.S. wines were valued at approximately USD 35 million in 2011.

Essential Oils:

Swiss imports of U.S. essential oils, based on citrus, peppermint and other raw materials and valued at over USD 27 million, were among the top U.S. agricultural products imported into Switzerland in 2011. The United States, with 20 percent of total market share, is the third largest supplier of these products to the Swiss market after France and Germany.

Fresh Asparagus:

Despite challenges from France, Spain, Peru, and Germany, U.S. fresh asparagus exports to Switzerland continue to hold the top market position because of the Swiss preference for larger-stalked, tender asparagus. Swiss imports of U.S. fresh asparagus were valued at USD 12 million in 2011. A tariff-rate quota may be applied to imports between May 1 and June 15 each year, but otherwise imports come in at zero duty.

Beef:

Switzerland continues to be an attractive market for small amounts of U.S. high quality beef, which enters under a special tariff quota of 1,200 metric tons. The demand for high quality beef is especially strong in the HRI sector, particularly to supply upper end resorts during the winter sports season. Swiss Beef imports from the United States totaled approximately 560 tons in 2011 and valued at USD 18 million, a 35 percent increase from 2010.

Seafood:

Switzerland represents a healthy market for a range of U.S. fish and seafood products, with imports attaining over USD 16 million in value in 2011. The main products imported from the United States are frozen salmon, lobsters and scallops. The U.S. is the top supplier of frozen salmon to the Swiss market.

OPPORTUNITIES:

Vitafoods International 2014 Trade Show, 5/6/2014 to 5/8/2014, Europe's leading nutraceutical and dietary supplement exhibition, Palexpo Center, Geneva, Switzerland
Website: <http://www.vitafoods.eu.com/>

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Chapter 5: Trade Regulations, Customs and Standards

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Import Tariffs

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Swiss duties are generally "specific" rather than "ad valorem". Duty varies according to the item imported, and the Swiss customs tariff uses the Harmonized System (HS) for the classification of goods. Customs duties are levied per 100 kilograms of gross weight, unless some other method of calculation is specified in the tariff (e.g. per unit, per meter, per liter). The gross dutiable weight includes the actual weight of the goods and their packaging, including the weight of any fixing material and supports on which the goods are placed. More information can be found on the homepage of the Swiss Customs Office.

Although Switzerland has one of the highest applied average MFN tariff rates for agricultural products (almost 30%), its tariff rates for non-agricultural or manufactured exports are quite low, in fact one of the lowest (at roughly 2% or half the average U.S. rates). Hence, with some exceptions, import tariffs for U.S. exporters of manufactured goods to Switzerland tend to be negligible.

Value Added Tax

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Imported goods and services are also subject to a Swiss value added tax (VAT). The standard VAT rate is 8.0%, although there is a reduced rate of 2.4% for certain goods and services, including the following: foodstuffs; agricultural products (meats, cereals, plants, seed and flowers); medicine and drugs; newspapers; magazines; books and other printed materials; and radio and TV services. Domestically produced goods are subject to the same VAT rates.

The VAT is levied at the border and is prepaid by the customs broker/freight forwarder, who then invoices it to the importer or end-user. The VAT is assessed based upon the value of the imported commodities, including customs duties, insurance and transportation costs (cif) and any other taxes. Customs clearance and related activities are typically handled by international freight forwarding companies on behalf of Swiss

customs. The average handling fee per shipment, exclusive of duty rates transportation costs, etc.) ranges between USD 150 and USD 250.

A U.S. exporter selling services for more than SFr. 75,000 into Switzerland is liable to pay VAT of 8.0% and should register with the Swiss Federal Tax Administration:

Swiss Federal Tax Administration
Main Division of the Value Added Tax
Schwarztorstrasse 50
3003 Bern
Tel. +41-31 322 21 11, Fax. +41-31 325 71 38
www.estv.admin.ch

Trade Barriers

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Switzerland generally meets its commitments under WTO and bilateral agreements. However, due to significant tariff and quota barriers for many agricultural products, combined with a restrictive approval process for biotech products, labeling for meat produced with hormones and antibiotics and general consumer rejection of biotech products, US market opportunities in Switzerland are limited for these products.

Switzerland has a strict regulatory regime for agricultural biotechnology products. In order for biotech food or animal feed products to be imported and sold on the Swiss market, they must undergo a lengthy approval process. In addition, labeling is required for products containing biotech ingredients or derived from such ingredients. Recently, Switzerland further tightened labeling rules so that even so-called "second-generation" products derived from a biotech derivative (such as corn syrup produced from starch made from biotech corn) must also be labeled as biotech. The Swiss rules on approval and labeling roughly parallel those of the European Union. In addition, a referendum vote has established a moratorium on planting of biotech crops and production of biotech animals in Switzerland. This moratorium went into effect on November 27, 2005, and will be in force for five years, but does not apply to imports of biotech food or feed.

A continuing obstacle to certain U.S. exporters, particularly those of high value products, is the food retailing system. Two retail giants Migros and Coop, accounting for nearly 70% of grocery sales, dominate the food retail market. U.S. exporters are disadvantaged by this system because the two food chains emphasize their own store brand products and favor products from their own processing plants. They are devoted primarily to in-house brands, followed by international brands. Another barrier for U.S. brands represented by these major retail chains is their policy not to sell genetically modified (GMO) foods.

Over the past few years, Switzerland has taken steps to remove barriers to competition in its automotive, electricity, telecommunications, and postal sectors. The Swiss automotive market was liberalized in 2005, giving consumers greater choice in purchases of new automobiles and parts and giving independent car dealerships the right to sell, service and repair vehicles without violating warranty rules. Postage services are liberalized with the exception of the Swiss Postal Service's monopoly for shipments (letters/parcels) weighing less than 100 grams (one-tenth of a kilo).

The new Federal Electricity Supply Act that went into effective January 1, 2008, will partially open the Swiss electricity market for competition as of January 1, 2009, when customers with an annual electricity consumption of 100,000 kWh will be able to choose their suppliers. Industry analysts foresee increasingly challenging market conditions for Swiss electricity companies over the next few years; however, most are already prepared for price competition and will have time to adjust to new market conditions. As electricity is a product that is very difficult to differentiate, pricing is expected to remain key in an increasingly competitive market environment. With environmental concerns growing in importance, the longer term may well see the emergence of more eco-labels in the Swiss electricity market.

An amendment to the Telecommunications Act was implemented in April 2007 that encourages competition in the fixed telephony market and provides for unbundling of the local loop, known as “opening of the last mile”. As a result, telecommunications service providers have the right to access Swisscom’s infrastructure and services in relation to the following: fully unbundled access to the local loop, fast bit stream (data stream) access, billing for the connection to the fixed network, interconnection, leased lines, and access to cables. The amendment to the Telecommunications Act follows the main principles of EC law with one exception—the Swiss regulatory authority (Comcom) does not impose specific obligations on service providers unless one party to an agreement requests intervention.

Alternative service providers have started to take advantage of the market liberalization. In fall 2007, Sunrise Communications installed its first shared local exchange station with Swisscom. Sunrise plans to build a nationwide fixed network; it installed equipment in 120 local exchanges in 2008 and plans to roll out its network to 80% of Swiss households by 2010.

In January 2008, Swisscom challenged Comcom’s ruling of November 2007 that upheld Bit stream access for alternative suppliers. Ultimately, Swisscom was ordered to offer broadband internet access at cost oriented prices over a limited period (4 years as opposed to the 6 years that were originally proposed). This is because Swisscom is not willing to pay R&D alone endlessly, and it agrees to provide its infrastructure, for only a limited period, to enable other providers to install their own channels.

Import Requirements and Documentation

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All imported goods must be presented to the appropriate Customs office and declared for clearance. Goods imported into Switzerland must be declared within the following time limits from arrival in the country by various means of transportation: road, 24 hours; river, 48 hours; rail, 7 days; and air, 7 days. The importer may examine goods before submitting them for clearance. For Swiss Customs purposes, an ordinary commercial invoice in duplicate or triplicate is considered sufficient documentation. The invoice should contain the following details: description of the products and packaging, gross and net weight of each package, quantity (in metric terms), country of origin, and CIF value to the Swiss border. As Swiss duties are specific, indication of value is required only for statistical purposes. No consular or other stamp is required.

For practical purposes, almost all commercial shipments are handled by forwarding companies, which, in most cases, also are legally empowered to act as Customs agents. They handle the Customs clearance, including the VAT and any applicable duties. The

Customs agent pays the VAT, duties and other fees on behalf of the importer and then invoices the total cost as well as a service fee to the importer. Shipments sent by courier are handled in the same manner.

Swiss importers are able to counsel suppliers with information on Swiss requirements to facilitate documentation on the Swiss side. A certificate of origin is not normally required unless preferential duty rates are requested; however, one may be required for health reasons (meats and plants) or for reasons of quality control as with appellation wine.

Special health certificates, stamped by the competent authorities of the country of origin, are required for animals and animal products (including fish and bees). Official plant health certificates of the country of origin must accompany shipments of some vegetables, fresh fruits, and wild plants. Switzerland is gradually aligning its import requirements for agricultural products with those of the European Union.

As of January 1, 2009 Switzerland has implemented a common veterinary space with the European Union (EU). After undergoing inspection at an EU border inspection post (BIP) or the airports in Zurich or Geneva, animals and meat products may circulate freely within the EU and Switzerland. As the Swiss airports are not equipped to handle large animals, live horses and other hooved animals must enter the common veterinary space through an EU BIP. Animals and meat products which have not undergone prior inspection at an EU BIP may only be imported into Switzerland through the airport in Zurich or Geneva. Hormone-treated beef may only be imported through Zurich and Geneva airports and must not be re-exported.

For live animals or animal products shipped into Switzerland by land or river, the complete border veterinary inspection takes place at the first point of entry into the EU. The importer must check with the relevant EU BIP to find out the requirements regarding the time limits for declaration of lots and required documents. The import certificates are the same as those required for direct importation into Switzerland. The importation of live hooved animals, poultry, waterfowls and rates must continue to be declared in advance to the competent cantonal veterinary service 6 days before arrival.

For more information, please consult the websites below.

Federal Office for Agriculture, www.bwl.admin.ch

Swiss Federal Veterinary Office, www.bvet.admin.ch

Import licenses are required only for a limited number of products. These generally fall into the two categories of measures to protect local agriculture production and measures of state control. To protect the agriculture sector and to maintain a degree of independence from external supplies, Switzerland imposes quantitative restrictions on agricultural imports. Products under these restrictions include cattle, meat, milk and dairy products, indigenous fresh fruit and vegetables, seasonal cut flowers, cereals and forage products, wine and grape juice.

More information is available through the Federal Office of Agriculture.

Federal Office for Agriculture, www.bag.admin.ch

Products subject to a quota require import licenses, which are granted only to importers based in Switzerland. Most quotas vary from year to year according to the size of harvests, volume of stocks and market requirements. Import licenses are also required

for certain products not subject to quotas, but which are covered by special regulations concerned with public health, plant health, quarantine (plants), veterinary regulations; regulations concerning the protection of endangered species, safety measures, price control (for certain textile products); and measures for the protection of the Swiss economy and public morality.

More detailed information on import requirements is available from the Swiss Customs Office at www.ezv.admin.ch.

Swiss Export Controls

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The Government of Switzerland regulates the export, import, and transit of goods usable for civilian and military purposes and is an active member of all major export control regimes, including the Wassenaar Arrangement (WA), the Missile Technology Control Regime (MTCR), the Nuclear Supplier Group (NSG), the Australia Group (AG) and the Chemical Weapons Convention (CWC).

The Office of Export Controls and Sanctions within the State Secretariat for Economic Affairs (SECO) <http://www.seco.admin.ch/index.html?lang=en> is responsible for implementation of Swiss commitments pursuant to the multilateral export control regimes. SECO can deny an export license if there is reason to assume that goods proposed for export would be used for the development, production, or use of biological or chemical weapons; serve for the development, production, or use of nuclear weapons or of an unmanned missile for the delivery of nuclear, biological or chemical weapons or the proliferation of such weapons; or contribute to the conventional armaments of a state, which, by its behavior, endangers regional or global security.

As a UN member, Switzerland follows UN provisions for export licensing controls. In certain cases, where there is a high likelihood of diversion of goods to WMD or missile uses, the Government of Switzerland applies the “catch-all” provisions of its export control law to deny the export of goods not specifically included on any export control list.

The Government of Switzerland cooperates with the U.S. and other governments to avoid the diversion of Swiss exports for use in weapons of mass destruction (WMD) or missile uses. An export control dialogue is part of the U.S.-Swiss Joint Economic Commission (JEC). These meetings have served to move forward discussions on ways to strengthen the Wassenaar Agreement and other WMD control systems.

Temporary Entry

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Imported goods that are destined for re-export may be cleared on the basis of a “Begleitschein” or “free-pass” certificate. The importer must apply for the certificate from the Customs Administration and provide surety for the Customs charges applicable to the imported goods. The certificate must be presented to Customs within the stipulated time with the goods in unchanged condition for re-export.

Goods transiting Switzerland must be declared for clearance at the point-of-entry Customs office and be covered by a national or international transit document (bond

note, TIR carnet, T1/T2 dispatch declaration, or international waybill). These goods must be re-exported intact within the designated time limit. No transit duties or fees are levied.

A transit permit is required only for narcotic drugs, armaments, nuclear fuels, and nuclear fuel residues. In the case of direct transit by rail, the railway authorities guarantee duties and taxes. The issuing authority is the guarantor of road transit covered by a TIR carnet. A surety or financial deposit is required for transit covered by a bond note or transit through the EU covered by a T1/T2 dispatch declaration.

Goods temporarily imported or exported for processing or repair may be eligible for a reduction in duty or duty-free treatment granted on the basis of the economic interests of Swiss industry. Authorization is granted only to residents who do the processing or repair themselves or who commission a third party. Authorization is for particular goods that are to undergo specified processing. Special conditions may be imposed for Customs handling and supervision.

Goods for display at public exhibitions are eligible for free passage (Freipass) through Swiss customs. Certification from the trade fair authorities that the goods are entering Switzerland for the exhibition is usually required. Exhibition goods must be re-exported within a month of the end of the exhibition. If the goods are sold to a Swiss resident off the exhibition floor, the buyer incurs a liability for the customs charges. Almost all fairgrounds have a Customs office on site.

Labeling and Marking Requirements

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Swiss labeling requirements apply mostly to food products. False descriptions are strictly prohibited. As a rule, the label or packaging for consumer goods must indicate the specific name of the product (in French, German or Italian), metric measure, sales price, unit price, weight of each component in the case of mixed products, and ingredients and additives in decreasing order of weight. Consumer goods must be marked with the country of manufacture prior to sale. Packaged goods must also indicate the quality of purity, the ingredients and the net weight of measure of the contents. All particulars of weight and measurements must comply with the regulations of the Federal Measurement Office (Eidgenössisches Amt für Messwesen).

The Foodstuffs Ordinance specifies additional information that must be provided in the case of certain products, including the name of the manufacturer or distributor, country of origin of the product, and 'use by' date. Many distributors provide additional information on their labels, such as the 'EAN code' for computerized data retrieval, and/or the nutritional or energy value of the product.

Switzerland's food law generally conforms with European Union food law. According to Swiss regulators, all standards are equal to or less strict than EU standards with the exception of standards for aflatoxins, microtoxins, and certain pesticides. Standards address acceptable levels of pesticides in water for drinking and food processing. The regulations cover all food products as well as tobacco and packaging and labeling standards.

For safety, health, environmental and consumer protection, as well as for compliance with international and national standards, certain products are subject to further regulations.

Medicines, cosmetics, cleaning agents, electrical appliances, measuring and weighing devices, heating systems, pressure vessels and motorcycles that are imported into and marketed in Switzerland are subject to additional regulations concerning safety, labeling, and packaging.

Prohibited and Restricted Imports

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The Swiss method of controlling unwanted imports is through the imposition of restrictions, quotas and other rules and regulations as noted previously in this chapter.

Customs Regulations and Contact Information

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Imported goods from the United States are subject to regular Swiss Customs duties at the time of importation. See also the sub-heading Import Tariffs.

Federal Customs Administration
Monbijoustrasse 40
3003 Bern
Tel. +41-31 322 65 11, Fax. +41-31 322 78 72
www.ezv.admin.ch

Standards

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- Conformity Assessment
- Product Certification
- Accreditation
- Publication of Technical Regulations
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Overview

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Over 50% of Switzerland's GDP is dependent on foreign trade, and the country plays an active international role in helping to reduce or eliminate relevant hurdles, particularly non-tariff barriers (NTB), with the exception of agricultural products. As a member of CEN (European agency for standards), Switzerland adopts any new European standards in reconciliation with any conflicting national standards. Switzerland applies "Harmonized European Standards" pertaining to health, safety and environmental criteria. All products covered by those standards must carry the CE label as a sign of compliance in all EU countries. However, Switzerland does not require the CE label on products for domestic (Swiss) use. Swiss manufacturers, if qualified, may use CE labels on their products.

All standards organizations in Switzerland are under the umbrella of SNV, the Schweizerische Normen Vereinigung or Swiss Standards Association. SNV provides local manufacturers with guidance on worldwide standards, serves as the link to relevant European (CEN) and international organizations (ISO), and is responsible for introducing the Swiss position at conferences and meetings.

Standards Organizations

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Major organizations/agencies with programs to propose and/or implement standards:

1. SNV – Schweizerische Normen Vereinigung
Bürglistrasse 29, CH-8400 Winterthur, Switzerland
Phone +41 52 224 5454; Fax +41 52 224 5474; www.snv.ch

Association serving as the national umbrella for all Swiss organizations interested in standards. Provides guidance on new standards. Publishes new standards in its “SNV Bulletin” (instead of a “National Gazette”)
2. Electrosuisse, SEV Verband für Elektro- Energie- und Informationstechnik
Luppenstrasse 1, CH-8320 Fehraltorf, Switzerland
Phone +41 1 956 1111; Fax +41 1 956 1122; www.electrosuisse.ch
Sector covered: electrical safety standards, electromagnetic emissions
3. SIA, Schweiz. Ingenieur- & Architektenverein
Selnaustrasse 16, CH-8001 Zürich, Switzerland
Phone +41 1 283 1515; Fax +41 1 20-1 6335; www.sia.ch
Sector covered: building standards (above and underground construction, cultural aspects, environmental criteria, insulation, air-cond/heating/safety)
4. VSS, Schweiz. Verband der Strassen- und Verkehrsfachleute
Sihlquai 255, CH-8005 Zürich, Switzerland
Phone +41 1 269 4020; Fax +41 1 252 3130; www.vss.ch
Sector covered: traffic safety, planning of public and private sector transportation networks, energy efficiency, signaling, safety in tunnels, financing
5. SVGW, Schweiz. Verein des Gas- und Wasserfaches
Grütlistrasse 44, CH-8002 Zürich, Switzerland
Phone: +41 1 288 3333; Fax +41 1 202 1633; www.svgw.ch
Sector covered: quality standards of processes and equipment for drinking water and natural gas
6. VSA, Verband Schweiz. Abwasser- und Gewässerschutzfachleute
Europastrasse 3, P.O. Box, CH-8152 Glattbrugg, Switzerland
Phone +41 43 343 7070; Fax +41 1 241 61 29; www.vsa.ch
Sector covered: sewage treatment and water pollution control

7. BAFU, Bundesamt für Umwelt
Papiermühlestrasse 172, CH-3003 Bern-Ittigen, Switzerland
Phone: +41 31 322 9311; Fax +41 31 322 9981; www.bafu.admin.ch
8. ASUT, Swiss Telecommunication Association
Klösterlistutz 8, CH-3013 Bern, Switzerland
Phone +41 31 560 66 66; +41 31 560 66 67; www.asut.ch
Sector covered: Communications equipment
9. BAKOM, Swiss Federal Office for Communications
Zukunftstrasse 44, P.O. Box 332, CH-2501 Biel, Switzerland
Phone +41 32 327 5511; Fax +41 32 5555
Sector covered: telecommunications incl. radio and TV; www.bakom.admin.ch
10. Swissmem, ASM Verband Schweiz. Arbeitgeber der Maschinenindustrie
Kirchenweg 4, P.O. Box, CH-8032 Zürich, Switzerland
Phone +41 44 384 4111; Fax +41 44 384 4242; www.swissmem.ch
Sector covered: industrial machinery such as machine tools, textile machines, packaging machine, power generating and distribution equipment etc.
11. Interpharma, Verband forschender Pharmafirmen in der Schweiz
Petersgraben 35, P.O. Box CH-4003 Basel, Switzerland
Phone +41 61 264 3400; Fax: +41 61 264 3435; www.interpharma.ch
Sector covered: manufacturers of pharmaceuticals with own research departments
12. SWISSMEDIC, Swiss Agency for Therapeutic Products
Hallerstrasse 7, CH-3000 Bern 9, Switzerland
Phone +41 31 322 0211; Fax +41 31 322 0212; www.swissmedic.ch
Sector covered: Swiss government agency comparable to the U.S. FDA
13. SUVA, Schweiz. Unfallversicherungsanstalt
Fluhmattstrasse 1, CH-6002 Luzern, Switzerland
Phone +41 41 419 5111; Fax +41 41 419 5828; www.suva.ch
Sector covered: occupational safety, agency comparable to U.S. OSHA
14. BAG – Swiss Public Health Agency (FOPH)
Schwarztorstrasse 96, CH-3003 Bern, Switzerland
Phone: +41 31 322 2111; Fax +41 31 323 3772; www.bag.admin.ch
Sector covered: public health

Conformity assessment is controlled by a multitude of laboratories and companies that must be accredited by a Swiss Government Agency known as “SAS” (Schweizerische Akkreditierungsstelle). This agency is comparable to the U.S. NIST and includes its own extensive testing laboratories. It is the sole authority that provides relevant laboratories and companies with the accreditation to certify products in specific areas according to

ISO/EC 17000 and series EN 45000. The accreditation procedure is a complex process that includes the physical inspection of the laboratories and equipment, the staffing, and a determination of the organization's level of independence and possible conflicts of interest.

Swiss Federal Office for Metrology and Accreditation
Lindenweg 50, CH-3003 Bern-Wabern, Switzerland
Phone: +41 31 323 3511; Fax +41 31 323 3510; www.sas.ch

Product Certification

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Product certification is covered by laboratories and companies licensed or accredited by SAS. All relevant laboratories and companies are listed by sector on the SAS website www.sas.ch (in English).

Underwriter Laboratories (UL) maintains its own Swiss office in Schwerzenbach as follows:

UL International (Schweiz) AG (Mr. Martin Fies, GM)
Ringstrasse 1, CH-8604 Schwerzenbach, Switzerland
Phone: +41 43 355 4020; Fax +41 43 355 4039; <http://www.ul-europe.com>

Accreditation

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The accreditation of relevant laboratories is controlled exclusively by the Swiss Government Agency SAS (see above). www.sas.ch

Publication of Technical Regulations

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SNV (see above) publishes all new norms in its "SNV Bulletin" in a dedicated section called "SWITEC". Nearly all new standards published in the SNV Bulletin are standards that have been processed and approved first by CEN.

Labeling and Marking

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Generally, labeling and marking requirements follow EU regulations (CE labeling). However, Switzerland does not require the CE label on products intended solely for domestic (Swiss) use. <http://www.newapproach.org/>

Trade Agreements

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Switzerland, Liechtenstein, Iceland, and Norway are members of the European Free Trade Association (EFTA). EFTA members maintain their own external tariffs, although tariff duties on trade in industrial products among member countries have been eliminated. Although not a member of the European Union (EU), Switzerland has bilateral agreements with the EU that guarantee many of the same economic

advantages and lowered barriers to trade that EU members enjoy. Preferential or duty-free rates apply to goods imported from the EU-EFTA free trade area when an importer makes a request on the import declaration and produces a certificate of origin. The Swiss also accord tariff preferences under the GSP to developing countries.

The United States and Switzerland have strong bilateral ties. Switzerland is a key supporter of the United States on a number of political and economic issues, particularly matters within the World Trade Organization. Geneva is host to the WTO, several UN agencies, and other international bodies. In 2006, the United States and Switzerland formed the “Trade and Investment Cooperation Forum” in order to address and achieve progress in trade topics of mutual interest.

Web Resources

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[Swiss Customs Tariff](#)

[Swiss Federal Customs Administration](#)

[State Secretariat for Economic Affairs](#)

[Swiss Federal Office for Metrology](#)

[Underwriters Laboratories Europe](#)

[Schweizerische Normenvereinigung \(SNV\)](#)

[European Committee for Standardization \(CEN\)](#)

[International Organization for Standardization \(ISO\)](#)

[European Committee for Electrotechnical Standardization \(CENELEC\)](#)

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Chapter 6: Investment Climate

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Openness to Foreign Investment

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Attitude Toward FDI

Switzerland welcomes foreign investment and accords it national treatment. Foreign investment is not hampered by significant barriers. No discriminatory effects on foreign investors or foreign-owned investments have been reported.

Other Investment Policy Reviews

[World Trade Organization: Trade Policy Review - Report by the Secretariat - August 16 2013 - Switzerland and Liechtenstein](#)

The report states that “the Swiss Constitution allows national and foreigners to operate business in Switzerland, to form a company or to hold an interest in one. [...] Most economic sectors are open to investment by Swiss nationals and foreigners. However, investment restrictions continue to apply to areas under state monopolies, including certain rail transport services, some postal services, and certain insurance services and commercial activities (e.g. trade in salt). Restrictions (in the form of domicile requirements) are also applied in air and maritime transport, hydroelectric and nuclear power, operation of oil and gas pipelines, and transportation of explosive materials.”

The same report states that “Liechtenstein has a stable and predictable investment regime. Most sectors are open to national and foreign investment, except for residency

requirements; restrictions on the purchase of real estate; restrictions in production, trade, and transport of electricity, gas, and water (subject to state monopoly); and restrictions applied to a number of financial services (asset management, investment consulting, and assuming trusteeships) when these are provided on a professional basis by trustees or trust companies”.

Laws/Regulations of FDI

The major laws governing foreign investment in Switzerland are the Swiss Code of Obligations, the Lex Friedrich/Koller, the Securities Law, and the Cartel Law. There is no screening of foreign investment. There are few sectoral or geographic preferences or restrictions. Several exceptions are described below in the section on performance requirements and incentives.

Some former public monopolies retain their historical market dominance despite partial or full privatization. Foreign investors can find it difficult to enter these markets due to high entry costs and the relatively small size of the Swiss market.

Industrial Strategy

The [WTO report](#) concluded that “the high living standards, highly skilled labour force, flexible labour laws, reliable infrastructure, as well as relatively low levels of taxation, are considered to make Switzerland one of the most attractive locations for foreign direct investment (FDI) in the world.”

Switzerland Global Enterprise is the Swiss government’s federal-level agency promoting investments into Switzerland (<http://www.s-ge.com>). The 26 cantons independently promote investments into their territories and have individual strategies to attract investments. Some cities and regions also have their own economic development organizations.

Limits on Foreign Control

Foreign and domestic enterprises may engage in various forms of remunerative activities and may freely establish, acquire and dispose of interests in business enterprises. However, the following legal restrictions apply:

Corporate boards - - There are no laws authorizing private firms to limit or prohibit foreign investment or participation. The board of directors of a company registered in Switzerland must consist of a majority of Swiss citizens residing in Switzerland. At least one member of the board of directors authorized to represent the company (i.e., to sign legal documents) must be domiciled in Switzerland. If the board of directors consists of a single person, this person must have Swiss citizenship and be domiciled in Switzerland. Foreign controlled companies usually meet these requirements by nominating Swiss directors who hold shares and perform functions on a fiduciary basis. Mitigating these

requirements is the fact that the manager of a company need not be a Swiss citizen and company shares can be controlled by foreigners (except for banks). The establishment of commercial presence by persons or enterprises without legal personality under Swiss law requires an establishment authorization according to cantonal law. The aforementioned requirements do not generally pose a major hardship or impediment for US investors.

Hostile takeovers - - Swiss corporate shares can be issued both as registered shares (in the name of the holder) or bearer shares. Provided the shares are not quoted on the stock exchange, Swiss companies may in their articles of incorporation impose certain restrictions on the transfer of registered shares to prevent unfriendly takeovers by domestic or foreign companies (article 685a of the Code of Obligations). Unwelcome takeovers can also be warded off by public companies, but legislation introduced in 1992 has made this practice more difficult. Public companies must now cite in their statutes significant reasons, relevant for the survival, conduct and purpose of their business, to prevent or hinder a takeover by an outsider. As a further measure, public corporations may limit the number of registered shares that can be held by any one shareholder to a certain percentage of the issued registered stock. In practice, many corporations limit the number of shares to 2-5% of the relevant stock. Under the public takeover provisions of the Stock Exchange and Securities Law (for which the implementing decree entered into effect in 1997), a formal notification is required when an investor purchases more than 3% of a Swiss company's shares. An "opt-out" clause is available for firms which do not want to be taken over by a hostile bidder, but such opt-outs must be approved by a super-majority of shareholders and well in advance of any takeover attempt (i.e., not to thwart an attempt already launched).

A reform of the corporation tax – implemented in early 2009 – reduces levies on dividends to investors with a stake of at least 10%. They are no longer taxed in full, but only at the rate of 50% for commercial investments and 60% for the private sector.

Banking - - The Swiss Federal Banking Commission (EBK), the Federal Office of Private Insurance and the Anti-Money Laundering Control Authority were merged in January 2009 to form the Swiss Financial Market Supervisory Authority (FINMA). This body aims to instill confidence in the financial markets and protect customers, creditors and investors.

Those wishing to establish banking operations in Switzerland must obtain prior approval from FINMA. This is generally granted if the following conditions are met: reciprocity on the part of the foreign state; the foreign bank's name must not give the impression that the bank is Swiss; the bank must adhere to Swiss monetary and credit policy; and a majority of the bank's management must have their permanent residence in Switzerland. Otherwise, foreign banks are subject to the same regulatory requirements as domestic banks. Banks organized under Swiss law have to inform FINMA before they open up a branch, subsidiary or representation abroad. Foreign or domestic investors have to inform FINMA before acquiring or disposing of a qualified majority of shares of a bank organized under Swiss law. In case of exceptional temporary capital outflows threatening Swiss monetary policy, banks can be obliged to seek approval from the Swiss national bank to issue foreign bonds or other financial instruments that would cause capital outflow. On December 20, 2008 government protection of current accounts held in Swiss banks was raised from CHF 30,000 to CHF 100,000.

Insurance - - A federal ordinance requires the placement of all risks physically situated in Switzerland with companies located in the country. Therefore, it is necessary for foreign insurers wishing to provide liability coverage in Switzerland to establish a subsidiary or branch there.

With the exception of those few sectors in which Swiss-owned enterprises have been granted a legally established monopoly (i.e., railways, fire insurance, and certain utilities), non-discriminatory competition between foreign and domestic commercial entities prevails.

Cartels and Monopolies - - Foreign investments are subject to review by the Federal Competition Commission if the value of the investing firm's sales reaches a certain worldwide or Swiss-market threshold. An investment or joint venture by a foreign firm can be disapproved on the grounds of competition policy, although there is no evidence that regulators have applied these rules in a discriminatory manner.

Privatization Program

There are no ongoing privatization programs.

Screening of FDI

There is no screening of FDI.

Competition Law

The Federal [Competition Commission](#) may initiate investigations against entities suspected of hampering competition and issues a decision in light of an analysis of the prevailing conditions of competition in the sector. Secondly, the so-called [Price Controller](#), like the Competition Commission is formally part of the Ministry of Economy, Education and Research, can suggest or insist on price modifications in the area of radio and television, the federal railway system, postal services, water, waste removal, and the medical sector.

The WTO [Trade Policy Review](#) concluded that “legislation on competition has not changed substantially since 2004. Four main laws continue to regulate competition: the Federal Law on cartels and other impediments to competition of October 6, 1995 (Cartels Law, LCart, RS 251), amended in 2004; the Federal Law against unfair competition of October 22, 1992 (LCD, LR 24), amended in 2002; the Federal Law on the internal market of October 6, 1995 (LMI, RS 943.02), amended in 2006; and the Law on price surveillance of December 20, 1985 (LSPr), which allows price investigations by the Price Controller when competition is deemed to be lacking.”

Investment Trends

TABLE 1: The following chart summarizes several well-regarded indices and rankings.

Measure	Year	Rank or value	Website Address
TI Corruption Perceptions index	2013	7 of 177	http://cpi.transparency.org/cpi2013/results/
Heritage Foundation's Economic Freedom index	2013	4 of 177	http://www.heritage.org/index/ranking
World Bank's Doing Business Report "Ease of Doing Business"	2013	29 of 189	http://doingbusiness.org/rankings
Global Innovation Index	2013	1 of 142	http://www.globalinnovationindex.org/content.aspx?page=gii-full-report-2013#pdfopener
World Bank GNI per capita	2012	USD 80,970	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

Conversion and Transfer Policies

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There are no restrictions on, or difficulties in, converting, repatriating or transferring funds associated with an investment (including remittances of capital, earnings, loan repayments, lease payments, royalties) into a freely usable currency and at the a legal market clearing rate.

Expropriation and Compensation

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There are known cases of expropriation.

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

The organization of the judiciary differs from canton to canton. The larger the canton the more courts of first instance one finds. In smaller cantons, there is usually one. All the cantons have established a high court, but only four cantons (Zurich, Bern, St. Gallen and Aargau) have a specialized commercial court that is part of the high court. There are no specialized courts on matters related solely to intellectual property rights. The verdicts of the cantonal high courts can be appealed at the level of the Swiss Supreme Court. The court system is independent, competent and substantively fair.

Switzerland is party to a number of bilateral and multilateral treaties governing the recognition and enforcement of foreign judgments. Due to its close ties with the European Union, a multilateral treaty, the Convention on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (also called the [Lugano Convention](#)) entered into force on January 1, 2011 replacing an older legal framework with the same name. A set of bilateral treaties is also in place dealing with judgments of foreign courts. There is no such agreement in place addressing the enforcement of judgments of foreign courts between the U.S. and Switzerland.

Bankruptcy

The World Bank's "Doing Business" survey ranks Switzerland as 47th out of 189 countries when it comes to resolving insolvency. The average time to close a business in Switzerland amounts to three years (as opposed to 1.7 years in the OECD) and 47.6 cents on the dollar are recovered by the claimants from the insolvent firm (as opposed to 70.6 cents in the OECD).

The [Swiss Federal Statute on Private International Law](#) (PILS, articles 166-175, in force since January 1, 1989) governs the recognition in Switzerland of foreign insolvency proceedings, including bankruptcies, foreign compositions and arrangements. Swiss law requires reciprocity on matters of the recognition of foreign insolvency orders and foreign administrators in Switzerland.

Investment Disputes

No investment disputes have been recorded involving U.S. or foreign entities in Switzerland in the past 10 years.

International Arbitration ICSID Convention and New York Convention

Switzerland is a member of the ICSID Convention since June 14, 1968 (entry into force of the convention) and member of the New York Convention since June 1, 1965 (ratification).

Duration of Dispute Resolution

The duration of dispute resolution depends on the parties. If a party appeals the decision of a first instance court and the (cantonal) high court up to the Supreme Court, a verdict may take one to two years.

Performance Requirements and Incentives

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WTO/TRIMS

The U.S. and Switzerland have only been on opposite sides of a WTO dispute once, when Switzerland (with other complainants) complained about the U.S. on matters related to Definite Safeguard Measures on Imports of Certain [Steel Products](#). In December 2003, these safeguards were abolished by the U.S. The U.S. has never acted as a complainant against Switzerland in the framework of WTO.

Investment Incentives

The WTO Trade Policy Review notes “[b]oth Switzerland and Liechtenstein have a strong, export-oriented industrial base. Switzerland has a policy to support research and improve framework conditions for all economic sectors but it does not adhere to a policy of national champions. There are no cash subsidies in place to specific manufacturing industries other than measures open to all companies.” Investment incentives are in the competence of the cantons and apply for domestic as well as foreign investors. Various tax privileges exist at the cantonal level for holding companies and mixed companies (for instance in rural areas). These companies remain, however, subject to ordinary taxation at the federal level.

Research and Development

Scholars and artists from the U.S. can apply to the State Secretariat for Education and Research for [Swiss Government Excellence Scholarships](#). The Swiss National Fund’s [strategy](#) states “universities, governments and research funding bodies negotiate and implement co-operation agreements with the aim of supporting the international component of research and creating an institutional framework to promote co-operation.” Switzerland has various instruments in place to promote research and innovation such as the [national institutions for research and innovation promotion](#), the [National Centres of Competences in Research \(NCCR\)](#), the [National Research Programmes \(NRP\)](#) or the [Research in Swiss Government Departments](#).

Performance Requirements

Data Storage

There is no “forced localization” laws designed to force foreign investors to use domestic content in goods or technology (i.e. storage of data within Switzerland). Businesses need to be aware that Switzerland follows strict privacy laws and certain data may not be legally collected in Switzerland as they are deemed personal and particularly “worthy of protection.” The collection of certain data may need to be registered at the office of the [Federal Data Protection and Information Commissioner \(FDPIC\)](#).

Right to Private Ownership and Establishment

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There is a right for foreign and domestic private entities to establish and own business enterprises and engage in all forms of remunerative activity.

Protection of Property Rights

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Real Property

Interests in property is recognized and enforced.

Intellectual Property Rights

Switzerland effectively enforces intellectual property rights linked to patents and trademarks. However, since 2010 Swiss authorities have not vigorously enforced copyright on the internet, due to an interpretation of a court verdict in September 2010 (the so-called *Logistep* case). The Swiss High Court ultimately ruled in this case that internet protocol addresses were particularly worthy of protection and may not be used generally to identify violators of copyright on the internet. Although uploads of copyright-protected material remains *de jure* illegal it has become *de facto* legal as prosecutors have generally refused to engage into any legal proceedings against alleged violators during the past three years. The relevant government authorities, including the [Institute of Intellectual Property](#) and the Federal Council may address this issue in the first half of 2014.

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[English speaking lawyers in Switzerland](#)

Transparency of Regulatory System

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The Swiss government uses transparent policies and effective laws to foster competition. Proposed laws and regulations are open for public comment (including interested parties, interest groups, cantons and cities) then discussed within the bicameral parliamentary system and may be subject to facultative or automatic referenda that allow the Swiss voters to reject or accept the proposals.

Efficient Capital Markets and Portfolio Investment

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Money and Banking System, Hostile Takeovers

Switzerland has a highly developed and sound banking system that provides credit to market terms. There is an effective regulatory system established to encourage and facilitate portfolio investment. Domestic and foreign bidders are treated equally when it comes to hostile takeovers.

Competition from State-Owned Enterprises

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OECD Guidelines on Corporate Governance of SOEs

The five Swiss State-Owned Enterprises (SOEs) in federal ownership are active in the areas of ground transportation (travel), information and communication, defense and aerospace (services) and are typically undertaking “public function mandates,” but may also cover some hybrid activities (i.e. Swisscom in the area of telecommunications). The five companies, in which the Swiss Confederation is either the largest shareholder or the sole shareholder, are [CFF](#), [Swisscom](#), [Skyguide](#), [Swiss Post](#) and [Ruag](#). Other SOEs controlled by the cantons are active in the areas of energy and water supply and a number of subsectors. SOEs may benefit from exclusive rights and privileges (some of them are listed in the WTO [Trade Policy Review](#) in Table A3.1). The SOEs typically closely interact with private industry and are also active in foreign markets (i.e. Swisscom and Ruag). Generally, private sector competitors can compete with SOEs under the same terms and conditions with respect to access to markets, credit, and other business operations.

The [OECD](#) stressed in 2011 that Switzerland had adhered to the OECD Guidelines on Corporate Governance for SOEs. In its 2013 report the [OECD](#) concluded in another

report that “in Switzerland the board [of SOEs] has the legal role of proposing the final candidate(s) to the AGM [Annual General Meeting] for appointment. For fully-owned SOEs, the Federal Council (executive authority), as the sole shareholder, decides on the nominees. Nevertheless, the board has a strong role in identifying potential nominees. When vacancies arise the Chair and/or board committee develop a requirement profile for board members and specifically define the board’s needs in new appointments.”

Swiss SOEs publish annual reports and report every year to the Federal Council on the achievement of their strategic goals. While consulting with the competent ministries the Federal Council approves the reports from the SOEs and their annual budget. The Swiss parliament then considers whether the Federal Council has supervised the SOEs appropriately.

Sovereign Wealth Funds

Switzerland does not have a Sovereign Wealth Fund (SWF) or an asset management bureau (AMB).

Corporate Social Responsibility

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OECD Guidelines for Multinational Enterprises

The Swiss government actively promotes the OECD Guidelines for Multinational Enterprise or the United Nations Guiding Principles on Business and Human Rights.

In 2014 Switzerland was ranked 1st out 100 countries evaluated in the [Environment Performance Index \(EPI\)](#), and labor laws are respected.

In 2014, according to the [World Bank Doing Business report](#), Switzerland only ranked 170th out of 189 rankings in the field of investor protection. This surprisingly low score has not damaged Switzerland’s reputation as a major business hub and as one of the strongest economies in Europe. This is likely because of the particular methodology applied by the World Bank, and can be explained by the lack of disclosure obligations in Switzerland in general (i.e. transactions performed by the company, conflict of interests) and the lack of ease for shareholders to file suits.

Political Violence

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Political violence is very rare in Switzerland.

The most prominent act in the recent years happened on April 1, 2011 when a letter bomb exploded and targeted employees of a lobbying organization promoting nuclear power. The militant attack is assumed to have been orchestrated by elements of an international anarchist network having also targeted Swiss embassies in the past. Nuclear power has contributed to the radicalization of certain small groups within Switzerland advocating for the immediate closure of the country’s nuclear plants.

UN Anticorruption Convention, OECD Convention on Combating Bribery

Switzerland ratified the UN Anticorruption Convention on September 24, 2009 and signed the OECD Anti-Bribery Convention in 1997. It entered into force on May 1, 2000.

Switzerland has an effective legal and policy framework to combat domestic corruption. Laws are enforced effectively. US firms investing in Switzerland have not complained of corruption to the Embassy in recent years. Corruption is reportedly not pervasive in any area or sector of the Swiss economy. Switzerland maintains effective investigative and enforcement procedures to combat domestic corruption. The giving or accepting of bribes in Switzerland is subject to criminal and civil penalties, including imprisonment up to five years.

In February 2001, Switzerland signed the Council of Europe's Criminal Law Convention on Corruption and in December 2003 it signed the UN Convention against Corruption. In order to implement the Convention, the Parliament amended the Penal Code to make bribery of foreign public officials an offense (Title Nineteen "Bribery", Articles). These amendments entered into force on May 1, 2000. In accordance with the revised 1997 OECD Anti-Bribery Convention, Parliament amended the legislation on direct taxes of the Confederation, cantons and townships so as to prohibit the tax deductibility of bribes. These amendments became effective on January 1, 2001.

Under Swiss law, officials are urged not to accept anything that would "challenge their independence and capacity to act." According to the law, the range of permissible receipt of "individual advantages" is a sliding scale, depending on the role of the official. Some officials may receive no advantages at all (e.g., those working for financial regulators) to several hundred Swiss Francs. The upper-limit value of presents such as bottles of champagne and watches is a grey area that varies according to department and canton. Transparency International believes a maximum sum valid at the federal level should be fixed. Some multinationals have assisted with the fight against corruption by setting up internal hotlines to enable staff to report problems anonymously.

The law provides criminal penalties for official corruption, and the government generally implements these laws effectively. Investigating and prosecuting government corruption is a federal responsibility. A majority of cantons also require members of cantonal parliaments to disclose their interests. A joint working group comprising representatives of various federal government agencies works under the leadership of the Federal Department of Foreign Affairs to combat corruption.

Switzerland ratified the Council of Europe's Criminal Law Convention on Corruption on July 1, 2006. Switzerland's penal code was amended so that foreign diplomatic staff and members of international organizations can be brought to court if they accept bribes.

On September 24, 2009, Switzerland ratified the United Nations Convention against Corruption. Government experts believe this ratification will not result in significant changes since passive and active corruption of public servants is already considered a crime under the Swiss Criminal Code (Art. 322).

In October 2013, the Group of States against Corruption (GRECO, Council of Europe) welcomed Switzerland's efforts in its [Third Evaluation Round - Compliancy Report](#). However, GRECO concluded “that the current low level of compliance with the recommendations is ‘globally unsatisfactory’ with the meaning of Rule 31, paragraph 8.3 of the Rules of Procedure.” Areas which needed particular attention were transparency of party funding, criminalization of trading in influence, and the dual criminality requirement, for which Switzerland wishes to maintain its reservations and declarations on the relevant articles in the Criminal Law Convention on Corruption.

A number of federal administrative authorities are involved in combating bribery. The State Secretariat for Economic Affairs deals with issues relating to the OECD Convention, the Federal Office of Justice with those relating to the Council of Europe Convention, and the Department of Foreign Affairs with the UN Convention. The power to prosecute and judge corruption offenses is shared between the cantons and the Confederation. For the Confederation, the competent authorities are the Office of the Attorney General, the Federal Criminal Court and the Federal Police (“Fedpol”). In the cantons, the relevant actors are the cantonal judicial authorities and the cantonal police forces.

Resources to report corruption:

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Bilateral Investment Agreements

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To date, Switzerland has concluded numerous investment protection treaties with developing and emerging market economies. Around 115 remain in force.

Switzerland concluded an [Income Tax Treaty](#) with the U.S. in 1996. A 2009 Protocol to this Treaty has been ratified by Switzerland, but not yet by the U.S. Senate.

OPIC and Other Investment Insurance Programs

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Switzerland has not signed an investment protection agreement with any Western European country or the United States.

OPIC is not active in Switzerland. However, Switzerland is a member of the [Multilateral Investment Guarantee Agency](#).

Labor

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The Swiss labor force is highly educated and skilled. Foreigners not only fill low-skilled, low-wage jobs, but also highly technical positions in the manufacturing and service industries. Roughly 29% of the estimated labor force of approximately 4.9 million people is foreign. Many foreign nationals are long-time Swiss residents who have not applied for or been granted Swiss citizenship. Only 3.3% of the workforce is employed in agriculture, where foreign "seasonal workers" take many low-wage jobs.

The Swiss economy is capital intensive and geared toward high value-added products and services. Wages in Switzerland are among the highest in the world.

The prohibition on strikes by federal public servants was repealed in 2000. The Federal Council may only restrict or prohibit the right to strike where it affects the security of the state, external relations, or the supply of vital goods to the country. Civil servants in a few cantons and municipalities are still denied the right to strike.

Switzerland is in compliance with ILO conventions. Government regulations cover maximum work hours, minimum length of holidays, sick leave and compulsory military service, contract termination, and other requirements. However, there is no minimum wage law. Employees in the retail sector and in restaurants, bars, and the like, in cooperation with other interests, have been successful in slowing reform of the restrictive federal and cantonal laws governing opening hours. Shop-hour restrictions are nevertheless loosening gradually in centers such as Zurich, Geneva, and Bern.

Swiss voters narrowly accepted in 2005 the revision of the Swiss Federal labor law in order to provide for flexible working hours, such as Sunday openings in major railway stations and airports. The new regulation entered into force on April 1, 2006. Shopping

hours outside of airports and railway stations remain regulated by cantonal laws. In a national initiative, Swiss voters on February 9, 2014 decided to abolish the principle of free movement for citizens of the European Union and to return to a quota regime to be able to limit immigration. In summer 2014, the Swiss Federal Council will publish proposals on how to implement this initiative that could potentially impact the Swiss labor market as it could become harder for companies within Switzerland to recruit labor from the EU market.

Approximately one-fourth of the country's full-time workers are unionized. In general, labor/management relations are good, with a willingness on both sides to settle disputes by negotiations rather than by labor action. Some 606 collective agreements exist today in Switzerland (of which approximately 1% concern the agriculture, 39% the secondary sector and 60% the third sector) and are usually renewed without major problems. Since 2002, trade unions have complained that too little of the Swiss labor force is covered by collective agreements. Although days lost to strikes in Switzerland are among the lowest in the OECD, Swiss trade unions have encouraged workers to go on strike on several occasions in recent years.

At the macro level, salaries increased by 1.5% in 2012.

The average unemployment rate amounted to 4.5% in 2013 (according to the ILO method of calculation). The average unemployment rate was 9.4% for foreigners and 3.1% for Swiss citizens. All cantons bordering EU countries suffer higher unemployment rates than the rest of Switzerland. Other cantons enjoy a better situation. Young workers aged 15-24 and persons aged between 25 and 39 were faced unemployment rates of 8.5% and 4.9%, respectively, in 2013.

Foreign-Trade Zones/Free Ports

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Swiss international airports have stores offering duty free shopping. Private companies can utilize duty-free warehouses to import goods tax and duty free into Switzerland as long as the goods are subsequently re-exported to third countries. In each of these examples, foreign-owned companies receive the same treatment as domestic firms. These warehouses have undergone significant expansions in recent years and may become the target for foreign tax authorities concerned with their role in abetting tax evasion and money laundering.

TABLE 2: Key Macroeconomic data, U.S. FDI in host country/economy

	Host Country Statistical source: State Secretariat for Economic Affairs		USG or international statistical source		USG or international Source of data (Source of Data: BEA; IMF; Eurostat; UNCTAD, Other)
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (Millions U.S. Dollars)	2012	584,007	2012	631,200	http://www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical sources* Swiss National Bank State Secretariat for Economic Affairs		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (Millions U.S. Dollars, stock positions)	2012	92,571	2012	130,315	(BEA) click selections to reach. <ul style="list-style-type: none"> • Bureau of Economic Analysis • Balance of Payments and Direct Investment Position Data • U.S. Direct Investment Position Abroad on a Historical-Cost Basis • By Country only (all countries) (Millions of Dollars)
Host country's FDI in the United States (Millions U.S. Dollars, stock positions)	2012	214,723	2012	203,954	OECD Stat Extracts <ul style="list-style-type: none"> • FDI positions by partner country (reporting country U.S.)
Total inbound stock of FDI as % host GDP (<i>calculate</i>)	2012	123	2011	89	OECD iLibrary <ul style="list-style-type: none"> • Outward and inward FDI stocks World Bank Data 2011

Statistical discrepancies

The significant statistical discrepancies are due to different methodologies when measuring foreign direct investment.

As the [OECD Benchmark Definition of Foreign Investment](#) concludes there “are two possible approaches to identify the home country (of the direct investor) for inward FDI and the host country (of the direct investment enterprise) for outward FDI:

- i) by immediate host country/investing country (IHC/IIC)
- ii) by ultimate host country/ultimate investing country (UHC/UIC)”

Switzerland uses the immediate investing country approach (IIC) and the U.S. uses the more complex ultimate investing country approach (UIC). The [OECD](#) report explains in great detail how the two different approaches generate different figures.

TABLE 3: Sources and Destination of FDI

Foreign Direct Investment from/ in Counterpart Economy Data					
Switzerland, 2012					
Source: IMF					
From Top Five Sources/ To Top Five Destinations (U.S. Dollars, Millions)					
Inward Direct Investment			Outward Direct Investment		
Total inward	728,499	100%	Total outward	1,137,208	100%
Netherlands	179,163	25%	United States	199,920	18%
Luxembourg	145,929	20%	Luxembourg	122,029	11%
United States	94,622	13%	Netherlands	81,173	8%
Austria	68,427	9%	United Kingdom	89,865	8%
France	40,019	5%	Germany	58,073	5%
“0” reflects amounts rounded to +/- USD 500,000					

TABLE 4: Sources of Portfolio Investment

Portfolio Investments Assets								
Switzerland, June 2013								
Source: IMF								
Top Five Partners (Millions, U.S. Dollars)								
Total			Equity Securities			Total Debt Securities		
World	1,152,606	100%	World	498,286	100%	World	654,320	100%
United States	181,081	16%	Luxembourg	138,813	28%	United States	89,528	14%
Luxembourg	160,772	14%	United States	91,553	18%	France	66,651	10%
France	89,308	8%	Ireland	32,328	6%	Netherlands	66,648	10%
Germany	83,206	7%	Germany	32,072	6%	Germany	51,134	8%
Netherlands	74,109	6%	Cayman Islands	30,721	6%	United Kingdom	38,486	6%

Liechtenstein

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Liechtenstein’s investment conditions are virtually identical in most key aspects to those in Switzerland, due to its intimate links with the Swiss economy. The two countries have a customs union, for example, and Swiss authorities are responsible for implementing import and export regulations. Liechtenstein has a stable and open economy that has created almost 38,000 jobs exceeding the country’s domestic population of 37,000 – requiring a substantial number of foreigners (mainly Swiss and Austrians) to fill many of these jobs. It is also a very wealthy country – when adjusted for purchasing power parity, its per capita gross domestic product (GDP) is the highest in the world. According to the [Liechtenstein Statistical Yearbook](#), the tertiary sector creates 56% of Liechtenstein’s jobs, particularly in the finance sector, followed by the secondary sector (especially manufacturing tools, precision instruments, and dental products), which employs 43% of the work force. Agriculture accounts for less than 1% of the country’s jobs.

The country reformed its tax system in 2011. The corporate tax rate, at 12.5%, is one of the lowest in Europe. Capital gains, inheritance, and gift taxes have been abolished.

The Embassy has no recorded complaints from US businesses stemming from market restrictions in Liechtenstein.

19. Contact Point at Post for Public Inquiries

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Chapter 7: Trade and Project Financing

- How Do I Get Paid (Methods of Payment)
- How Does the Banking System Operate
- Foreign-Exchange Controls
- U.S. Banks and Local Correspondent Banks
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How Do I Get Paid (Methods of Payment)

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Export financing is primarily conducted through commercial sources. Payment terms are arranged with the bank or financing institution.

How Does the Banking System Operate

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Switzerland is one of the world's foremost banking and financial centers with over 290 bank headquarters. The banking network is highly developed, and Swiss banks are among the world's leaders in specialized fields such as private banking and asset management. The total assets of the Swiss banking system at the end of 2012 amounted to USD 6.8 trillion (Swiss francs 6.4 trillion) including assets managed by Swiss banks abroad. The physical presence of U.S. and other foreign entities in Switzerland is vital to successful financial service trade and continues to play an important role in the competitiveness of financial services. Banking in Switzerland is extremely diverse. Although it is based on the principle of universal banking, several bank groups are now fully or partially specialized.

Established in 1907, the Swiss National Bank (SNB) has executive offices in Bern and Zurich and branch offices in six other cities. More than one-half of its share capital is held by the cantons, the cantonal banks and other public bodies; Swiss citizens own the remaining shares. Although the Federal Government is not a shareholder, it has statutory power to appoint the majority of the Bank Council members as well as the three members of the Governing Board and their deputies. As the SNB fulfills a public task, it is administered with the cooperation and under supervision of the Confederation.

The SNB conducts the country's monetary policy as an independent central bank. Its primary goal is to ensure price stability, while taking due account of economic developments. It determines and implements monetary and credit policy, has the exclusive right to issue or withdraw bank notes and coins, and serves as a clearing-house for inter-bank transfers. Furthermore, it has an arrangement with the Principality of Liechtenstein to permit the use of the Swiss Franc as the country's currency, and the SNB clears Liechtenstein's transactions.

The SNB Bank Council oversees and controls the conduct of business by the SNB. It consists of 11 members. The Federal Council (Switzerland's executive body of 7 ministers, including the President of the Confederation) appoints six members, including the SNB president and vice president. The Shareholders appoint the remaining five

members. The SNB's managing and executive body is the Governing Board, which is responsible for the monetary policy, asset investment strategy and international monetary cooperation. The Enlarged Governing Board consists of the three members of the Governing Board and their deputies. It is responsible for strategic and operational management. Upon the recommendation of the Bank Council, the Federal Council appoints the members of the Governing Board and their deputies.

The object of the new Financial Market Supervisory Authority (FINMA), which entered into full force on January 1, 2009, is to group together under one authority the government supervision of banks, insurance companies, stock exchanges and securities dealers as well as other financial intermediaries in Switzerland. FINMA is a merger of the Federal Office of Private Insurance (FOPI), the Swiss Federal Banking Commission (SFBC) and the Anti-Money Laundering Control Authority. The aim of FINMA is to protect creditors, investors, insured persons and to ensure the general functioning of the financial markets in accordance with financial market legislation. It thus helps reinforce Switzerland's image and competitiveness as a financial center.

Financial Services, such as portfolio management and financial counseling, can be freely offered under the law of contracts. However, the provisions of criminal law on money laundering and the Federal Money-laundering Act are binding for all providers of financial services.

The "Federal Law on Combating Money Laundering in the Financial Sector" took effect in 1998 and strengthened due diligence obligations on the part of banks and other financial intermediaries. Officials believe this legislation puts Switzerland among the leading countries in terms of establishing a legal framework with which to effectively combat money laundering.

The following is information on the key players of the Swiss banking sector:

UBS AG and Credit Suisse: The two largest banks, UBS AG and the Credit Suisse Group, together account for over 50% of the balance sheet total of all banks in Switzerland. They are universal banks engaged in all types of banking business.

Cantonal banks: Cantonal banks are defined as banks with a statutory basis under cantonal law, with the canton holding a minimum of one-third of the banks' capital and voting rights. With the revised Banking Law of October 1, 1999, the state guarantee is no longer a constitutive characteristic of cantonal banks. The 24 cantonal banks are engaged in all banking businesses with an emphasis on lending and deposits.

The Raiffeisen Group: The Raiffeisen Group consists of affiliated independent banks with strong local roots and organized along cooperative lines. The Raiffeisen banks have the highest number of branches in Switzerland and are affiliated with the Swiss Union of Raiffeisen Banks. In recent years, Raiffeisen has positioned and established itself as the third largest bank group in Switzerland. Raiffeisen meanwhile counts 3 million Swiss citizens among its customers. Of these, some 1.4 million are members of the cooperative and hence co-owners of their Raiffeisen bank.

Private Banks: The 10 private banks include individually owned firms, collectives, and limited partnerships. Private bankers are subject to unlimited subsidiary liability with their personal assets. Their field of activity is asset management, chiefly for private clients.

Foreign banks: The approximately 140 foreign banks in Switzerland have a majority shareholder domiciled abroad. All foreign banks in Switzerland are subject to the same laws and supervision as banks whose majority shareholder is Swiss.

Commercial & Investment banks: As a rule, the commercial banks are universal banks for which mortgage investments play a significant role, in addition to commercial loans.

Consumer credit institutes: Consumer credit institutes specialize in small loans to private individuals and industry.

Post Finance: The activities of Post Finance are run by the governmental postal service and include payments, investments, savings, mortgages, loans, provident and retirement planning. It has no banking license and must outsource some of its services such as mortgages, pensions, mutual funds, etc. More than 2 million private customers use postal accounts and the PostFinance Card. In 2013 customer deposits amounted to USD 119 billion (Swiss francs 112 billion).

SIX Interbank Clearing, a subsidiary of SIX Group, operates the SIC and euroSIC interbank payment systems. These systems allow participating financial institutions to securely make cashless payments in Swiss Francs and Euro in real time between themselves. The SIC system processes interbank payments in francs on behalf of and under the supervision of the Swiss National Bank. In association with SECB Swiss Euro Clearing Bank, SIX Interbank Clearing provides the processing of Euro transactions through the euroSIC system on behalf of the Swiss financial center. Both interbank systems provide financial institutions within Switzerland and beyond its borders with efficient access to national and international payment traffic.

SIX Group, which emerged from the merger of the SWX Group, SIS Group and Telekurs Group at the beginning of 1988, is owned by its users (150 banks of various sizes and orientation). As one of Europe's leading securities exchange and financial market infrastructure operators, SIX Group offers first-rate services that address all aspects of Swiss and cross border securities trading as well as the admission of securities to trading. The company's other business fields focus on rendering cost effective and efficient services in the areas of clearing, settlement, securities safekeeping and administration, as well as supplying international financial information for investment advisors, portfolio managers, financial analysts and administrators of securities transactions. In addition, its services in the area of payment transactions cover the acceptance and processing of payments made with credit, debit and customer cards, as well as the handling of interbank transfers and e-invoices.

Eurex: Eurex is one of the world's leading derivatives exchanges and is jointly operated by the German Futures and Options Exchange, Deutsche Börse AG, and SIX Swiss Exchange. Eurex offers a broad range of international benchmark products and operates the most liquid fixed income markets, featuring open and low-cost electronic access. With market participants connected from 700 locations worldwide, trading volume at Eurex exceeds 1.5 billion contracts annually.

Foreign-Exchange Controls

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The Swiss franc is freely convertible. With the exception of certain regulations applicable to banks and finance companies, there are no exchange controls. The SNB has

authority to introduce measures concerning minimum reserve requirements, foreign currency position, foreign source funds and a calendar for public issues of bonds and shares. However, these measures are intended for use only to counter exceptional circumstances, such as massive speculation resulting in overvaluation of the Swiss currency leading to significant problems for the Swiss export industry. Bank accounts may be maintained in local or foreign currencies either within or outside Switzerland without restriction. There is no distinction between resident and nonresident accounts.

Repatriation of capital, loans, dividends, interest, royalties, service fees and branch office profits can be transacted without limitation through any bank. Export proceeds may be disposed of freely. Leading and lagging of import and export payments is allowed; there are no limitations and no requirement for prior authorization. Netting of trade-related payments and financial transactions is also allowed without prior authorization.

U.S. Banks and Local Correspondent Banks

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Bändliweg 20
CH-8048 Zurich, Switzerland
Tel: (41-44) 439 81 11, Fax: (41-44) 439 84 04
<http://www.gemoneybank.ch>

Goldman Sachs Bank AG
Münsterhof 4
CH-8001 Zurich, Switzerland
Tel: (41-44) 224 10 00, Fax: (41-44) 224 10 50
<http://www.goldman-sachs.ch>

J.P. Morgan (Suisse) SA
Rue de Confederation 8
CH-1211 Geneva 11, Switzerland
Tel: (41-22) 744 19 00, Fax: (41-22) 744 19 10
<http://www.jpmorgan.com>

Merrill Lynch Bank (Suisse) SA
Rte. de Florrissant 13
CH-1211 Geneva 3, Switzerland

Tel: (41-22) 703 17 17, Fax: (41-22) 703 17 27
<http://www.mlbs.ch>

Standard Chartered Bank (Switzerland) SA.
Rue du Rhone 50
CH-1211 Geneva 3, Switzerland
Tel: (41-22) 319 08 08, Fax: (41-22) 311 22 88
<http://www.standardchartered.com>

Project Financing

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Generally speaking, there is no special financing available for projects in Switzerland. The federal government may grant long-term loans at preferential interest rates for a limited category of projects in designated regions, primarily in remote, mountainous areas, that are threatened with economic decline. Cantonal and communal governments offer a wider variety of incentives, including financing, for investment projects in their respective areas. Most cantons maintain economic development agencies, some even with offices or representatives abroad, for the purpose of dealing with projects and investments.

Web Resources

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Swiss National Bank (SNB)
<http://www.snb.ch>

Swiss Financial Market Supervisory Authority (FINMASA)
<http://www.finma.ch>

Swiss Bankers Association
<http://www.swissbanking.org>

Association of Foreign Banks in Switzerland
<http://www.foreignbanks.ch>

SIX Interbank Clearing
<http://www.six.ch>

SIX Group
<http://www.six-group.com>

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Chapter 8: Business Travel

- Business Customs
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- Visa Requirements
- Telecommunications
- Transportation
- Language
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- Local Time, Business Hours and Holidays
- Temporary Entry of Materials and Personal Belongings
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Business Customs

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As a prosperous, highly developed Western democracy, Switzerland's business customs and practices are similar to those of other northern European countries. While some American business representatives may find their Swiss counterparts somewhat conservative and formal, business customs in Switzerland correspond generally to those of the United States. Punctuality, particularly in German-speaking areas, is very important. Allowing ample lead-time in setting up business appointments is expected and one should not expect to "drop in" without an appointment.

Travel Advisory

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A valid passport is required to enter Switzerland. Swiss residency and work permits for longer stays or employment are extremely difficult to obtain, as the Swiss government, at Cantonal level, imposes severe limitations on immigration and the country's foreign work force. All foreigners, including Americans, must have a work permit before commencing employment. The complicated process of obtaining a work visa can take several months.

For more information, contact the Consular Section of the Swiss Embassy in Washington, or the Swiss Consular Office in Atlanta, Boston, Los Angeles, New York, or San Francisco.

Swiss Official Representation in the USA:

Embassy of Switzerland, Washington DC
Swiss Consulate General Atlanta
Swiss Consulate General Boston - Swissnex Boston
Swiss Consulate General Los Angeles
Swiss Consulate General New York -- Swiss Business Hub USA
Swiss Consulate General San Francisco
Permanent Mission of Switzerland to the United States

Switzerland continues to have a very low rate of violent crime. However, pick pocketing and purse snatchings occur, especially during peak tourist periods and during major

conferences, shows, and exhibits. A typical scam used against businesspeople is for a thief to grab a briefcase in a hotel or airport while an accomplice distracts the victim. Loss or theft of a U.S. passport should be reported to the local police immediately and to the American Embassy in Bern at +41 (0) 31 357 7011. Under most circumstances, a replacement can be issued in the course of a working day.

Countrywide emergency telephone numbers are police 117; Fire 118; and Ambulance 144. There is usually an English-speaking contact available.

Visa Requirements

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U.S. companies requiring travel to the United States of business-people resident in Switzerland should allow sufficient time for visa issuance, if required. Visa applicants should go to the following link:

<http://bern.usembassy.gov/visas.html>

Information about U.S. visa policy and procedures:

http://travel.state.gov/visa/visa_1750.html

Information sheet for U.S. citizens traveling to Switzerland:

http://travel.state.gov/travel/cis_pa_tw/cis/cis_1034.html

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

Telecommunications

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Telecommunications are modern and, with on-going liberalization, dropping dramatically in price. Visiting U.S.-based business travelers may operate GSM-based cell phones in Switzerland. Cell phones are easily rented from vendors in Swiss airports.

Transportation

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The Swiss business infrastructure is excellent. There are major international airports in Zurich, Geneva and Basel as well as smaller airports throughout the country. Road and rail networks, despite the country's mountainous terrain, are very well maintained and efficient. High-speed trains link Zurich and Bern in less than one hour and Zurich and Geneva within two and one-half hours. Urban public transport is unsurpassed.

Language

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Switzerland is a multilingual country. Swiss-German is spoken by the majority of Swiss in the central and northeast portions of the country. French is the principal language of

Geneva and the western cantons, and Italian is spoken in the south, especially in the canton Ticino (Lugano/Locarno). English is widely spoken in business and tourist centers throughout the country.

Health

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Switzerland has excellent health care facilities. (Note: U.S. medical insurance is not always valid outside the United States. Travelers should check their insurance policies for specific overseas coverage.)

Temporary Entry of Materials and Personal Belongings

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Personal effects, including laptop computers, do not need to be declared and can enter Switzerland freely. However, computer systems brought into Switzerland must be declared and a deposit must be paid covering the VAT and applicable customs duty, which is refundable upon leaving the country. ATA Carnets are used widely throughout Switzerland and Europe for products shown at trade exhibitions. Trade exhibit materials can enter freely with a Carnet as long as they leave the country after the event. If the product is sold at the exhibition, applicable duties and VAT must be paid. All international trade fairs in Switzerland have customs offices that facilitate the payment of fees and clearing of items in an expeditious fashion.

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Chapter 9: Contacts, Market Research and Trade Events

- Contacts
- Market Research
- Trade Events

Contacts

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U.S. Embassy Bern:

Ambassador:	Ms. Suzan LeVine
Charge Deputy Chief of Mission:	Mr. Jeffrey Cellars
Economic/Commercial Officer:	Mr. Jeremy Beer
Political/Economic Section Counselor Political Officer:	Mr. Thomas Kelsey Ms. Rachael Doherty
Consular Services: Consular – American Citizen Services: Consular Services – Visa	Mr. Timothy Buckley Ms. Burret Travis Mr. Jonathan Koehler
Public Affairs Officer:	Mr. Stephanie Morimura
International Mail Address: Sulgeneckstrasse 19 P.O. Box CH-3001 Bern, Switzerland Tel. +41 31 357 70 11 Fax +41 31 357 73 36	U.S. Pouch Address: American Embassy Bern U.S. Department of State 5110 Bern Place Washington, DC 20521-5110

Chambers of Commerce:

Swiss-American Chamber of Commerce
<http://www.amcham.ch/>

Chambers of Commerce and Industry of Switzerland
<http://www.cci.ch/en/map.htm>

Swiss Trade or Industry Associations:

The following lists trade associations most relevant to U.S. companies pursuing business in Switzerland. For a complete listing of associations, please consult the Publicus 2011 "Schweizer Jahrbuch des öffentlichen Lebens", published by Schwabe & Co. AG Verlag, P.O. Box 832, CH-4132 Muttensz 1, Switzerland; Tel. (+41-61) 467-8509; Fax (+41-61) 467-8586, www.publicus.ch

Autogewerbe-Verband der Schweiz (AGVS) (Swiss Motor Trade and Repair Association), www.agvs.ch

Economiesuisse (Swiss Federation of Commerce and Industry), www.economiesuisse.ch
Swissmem (Machine- Electro- and Metal Industry / MEM Industry), www.swissmem.ch
VSMWH (Machine & Tool Traders Association), www.vsmwh.ch
Electrosuisse (Association for Electrical Engineering, Power & Information Technologies)
Swiss Standards Association, www.sev.ch
Switzerland Global Enterprise (Swiss Office for Trade Promotion), www.switzerland-ge.com
VSIG Swiss Federation of Importers & Wholesalers, www.vsig.ch
Swiss Technology Network (Electronics, Automation Eqp. & Computer Manuf. & Distributor Association), www.swisst.net
ASUT (Swiss Telecommunications Users Assn.), www.asut.ch
SWICO (Swiss Assn. For Information, Communication, Organizational Technology), www.swico.ch
FASMED (Swiss Medical Device Technology Assn.), www.fasmed.ch
SIA (Society for Engineers and Architects), www.sia.ch
Swiss Textile Federation, www.tvs.ch
Swiss Society of Chemical Industries, www.sgci.ch
Swiss Banking Association, www.swissbanking.org/en/home.htm
Swiss Hotel Association, www.swisshotels.ch
Federation of the Swiss Watch Industry (FH), www.fhs.ch
Swiss Exchange SWX, www.swx.com/index_en.html

Swiss Government Agencies:

The following list of Swiss government agencies may be of relevance to U.S. companies doing business in and with Switzerland. The "Eidgenössischer Staatskalender", published by Bundesamt fuer Bauten und Logistik, Eidg. Drucksachen- und Materialzentrale (Federal Printing Office), CH-3000 Bern, Switzerland, Tel. (+41-31) 325 50 50, Fax (+41-31) 325 50 58, www.admin.ch/edmz provides a comprehensive listing of Swiss government departments and officials. Another source of information is www.admin.ch

Federal Department of Home Affairs:

Federal Office for Statistics, www.bfs.admin.ch
Federal Office for Public Health, www.bag.admin.ch
Federal Department of Justice and Police: www.ejpd.admin.ch
Federal Office of Metrology and Accreditation, www.metas.ch
Federal Office for Intellectual Property, www.ige.ch

Federal Department of Economic Affairs:

State Secretariat for Economic Affairs (SECO), www.seco.admin.ch
Federal Office for Professional Education and Technology <http://www.sbf.admin.ch/>

Federal Department of Defense, Protection of the Population and Sport:

Defense Procurement Agency (Armasuisse), www.armasuisse.ch

Federal Department of Finance:

Federal Customs Administration, www.zoll.admin.ch

Federal Department of Environment, Transport, Energy and Communications:
Federal Office for Civil Aviation, www.aviation.admin.ch
Federal Office for the Environment, Forestry and the Landscape, www.buwal.ch
Federal Office for Communications, www.bakom.ch

Quasi-Public Organization: SwissPost, www.swisspost.ch

Swiss Market Research Firms:

Following are some of the major Swiss companies performing market research as well as polling. The U.S. Company must solicit terms and fees. The U.S. Embassy cannot recommend one firm over another.

A.C. Nielsen, www.acnielsen.ch
IHA-GFK, www.ihagfk.ch
Trimedia Group, www.trimedia.ch
Link Institute, www.link.ch
Demoscope, www.demoscope.ch
ISOPUBLIC, www.isopublic.ch

Swiss Commercial Banks:

Following are the head offices of the two largest commercial banks in Switzerland. Each has numerous branches throughout the country. For additional information on these and other banks, please consult the Swiss Financial Yearbook, published by Elvetica Edizioni SA, P.O. Box 134, Via Vela 6a CH-6834 Morbio-Inferiore, Switzerland; Tel: (+41-91) 683 50 56; Fax: (+41-91) 683 76 05.

UBS AG, www.ubs.com
Credit Suisse Group, www.credit-suisse.com

U.S.-Based Multipliers Relevant for Switzerland:

The Swiss-American Chamber of Commerce, in addition to its head office in Zurich (see Chamber heading above), maintains offices in six U.S. locations:

Swiss-American Chamber of Commerce US locations
http://www.amcham.ch/about_us/

Chapter 10: Guide to services offered by Embassy Bern

Embassy Bern does not have a U.S. Commercial Service. However, Embassy Bern is a designated State/Commercial Service Partnership Post and provides some limited service to U.S. exporters. Embassy Bern's partnership post is Commercial Service Munich.

Embassy Bern provides ICPs (International Company Profile), SCP (Single Company Promotion), SLP (Single Location Promotion) and Business Facilitation Service (depending upon the scope of work requested by the U.S. client). The Embassy also provides limited service not covered under any fee-based service.

One of Embassy Bern's main commercial activities includes Foreign Direct Investment (FDI). Post works with CASE and non-CASE members as well as municipalities to promote FDI into their states/counties.

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