

British Legation,
Berne.

(13/2/17/52)

30th July, 1952.

Monsieur le Délégué,

I have the honour, upon instructions from Her Majesty's Principal Secretary of State for Foreign Affairs, to propose that the Monetary Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Swiss Government of 12th March, 1946, as extended and modified by the Exchange of Notes between those Governments of the 25th February and 3rd March, 1949, of 4th March, 1950, 10th November, 1950, 10th March, 1951, 9th June 1951, 2nd October, 1951, 24th March, 1952, and further prolonged until 30th June, 1952, by an Exchange of Notes between the two Governments of the 16th May 1952, shall be deemed to have continued in force after 30th June and shall remain in force until the 31st December, 1952.

If the Swiss Government agree to this proposal I have the honour to suggest that the present Note and your reply in that sense shall be regarded as constituting an Agreement between the two Governments.

I avail myself of this opportunity to renew to you, Monsieur le Délégué, the assurance of my highest consideration.

F. Scrivenes



Monsieur Hans Schaffner,
Délégué du Conseil Fédéral
aux Accords Commerciaux,
B e r n e .

LE DELEGUE

AUX ACCORDS COMMERCIAUX

30th July, 1952.

Dear Mr. Burns,

I am writing to you to say that the Federal authorities are willing, if the United Kingdom Government will also do so, to continue until 31st December, 1952, to act in accordance with the arrangements set out in the Anglo-Swiss Agreed Minute on Trade and Payments of the 12th February, 1951, subject to the understandings set out in the following sub-paragraphs:

(a) The arrangements recorded in the Agreed Minute which have been affected by measures either of restriction or of liberalisation taken by the two countries will be regarded as having been amended in that respect.

(b) To the extent to which quotas allocated for the four months March to June, 1952, have not been applied for, licences will be issued for the outstanding amounts together with the amounts allocated for the period 1st July to the 31st December, 1952. Applications for import licences may be submitted to the United Kingdom authorities up to 31st January, 1953, and licences will be valid up to 30th April, 1953.

(c) In respect of quota items (other than bolting cloth) in the textile sector, the United Kingdom authorities are prepared to consider any Swiss proposals with a view to agreeing exceptionally to the transfer in particular cases from one quota to another of amounts which cannot be utilised for market reasons.

Mr. Robert Burns,
c/o British Legation,

B e r n e

(d) Quota No. 20 is amended to read as follows:
 "Apparel or underwear (not containing cashmere) trimmed with handmade lace, with machine made lace of the types specified in item 20 (a), or with embroideries on net or dissoluble fabrics of the types specified in item 16. 20(a) Machine made curtain net and lace of the following types: Plain net (unfigured tulle) other than nylon; curtain net made on the Nottingham lace curtain machine or Sander and Graff machine or warp knitting machine or lace made on the Barmen machine."

(e) Quota No. 41 is amended to read: -

£'000 c.i.f.

Low or high pressure water level gauges for boilers and similar use; temperature control apparatus including electrical thermostats; mercury-in-steel thermometers; recorders for remote indication and control; thermal measuring apparatus; pressure gauges and pressure recorders; precision balances (all subject to type).

27.5

41(a) Recording, printing and summing meters; testing instruments; similar instruments (all subject to type).

16.5

(f) The following additional quotas are established for the period ending 31st December, 1952:

*Chocolate and sugar confectionery chocolate couverture	20
*Canned and bottled fruit	5
*Mushroom spawn	6.5
*School slates and slate pencils	10
*Slide fasteners	0.8
*Biscuits	5

* to be allocated by the Swiss authorities

2. I explained to you that it was the intention of the Swiss authorities, in the event of a marked improvement in the balance of payments of the United Kingdom during the currency of the present arrangements, to ask for new discussions with a view to providing increased opportunities for Swiss exports to the United Kingdom. You informed me that the United Kingdom Government would be ready to give careful consideration to any such representations in the light of the balance of payments situation and of import policies necessary to meet that situation.

3. I drew your attention to the exceptional hardship that would, in the view of the Swiss authorities be caused to the Swiss exporters of ribbons if arrangements could not be made by September to enable the United Kingdom importers to place orders with them for deliveries in January and February for the spring season. You declared that it was the intention of the United Kingdom Government to keep this problem carefully in mind in making their plans for imports in the first half of 1953; it was not possible at this stage to anticipate what special measures, if any, might be found practicable, but the United Kingdom authorities would be ready to discuss the matter further early in October, should the Swiss authorities so desire. I took note of your statement but pointed out that this declaration could not be considered as satisfactory by the Swiss authorities.

4. I expressed to you the grave concern of the Swiss authorities at the low level of British deliveries in recent years of certain raw materials and semi-finished products, of which Swiss industry is in great need and which are essential to the fulfilment of the substantial machinery requirements of the United Kingdom and of other sterling area countries. I stressed once again that the Swiss authorities expect a more favourable consideration than in the past of their requests mentioned in the list submitted to the United Kingdom delegation in London in May last, in particular of:

metric tons

Iron and steel, including 1220 tons alloyed machinery steel, 1500 tons stainless steel (nickel content above 8%), 100 tons valve steel, 1500 tons tinplate, 2000 tons electrical sheet	16'100
Ferre-alloys (ferro-molybdenum, ferro-tungsten, ferro-titanium, ferro-columbium etc.)	100
Nickel	1'000
Solid fuel (according to special list of 24th July, 1952).	

You said that in view of the general shortage of steel the United Kingdom authorities could not undertake that any particular requirements could be met but that they would be ready to examine sympathetically a limited number of cases selected by the Federal authorities by reason of their special importance. You also stated that the United Kingdom authorities would make available to Switzerland before the end of 1952 five hundred tons of tinplate and, as regards unwrought nickel that the estimate of what the United Kingdom is likely to supply before the end of 1952, subject to availability and allocation by the International Materials Committee, is not less than four hundred tons.

5. I told you that the Swiss authorities regret that no satisfactory solution has so far been found with regard to the excessive British import duties for repair parts for cigarette lighters. As this situation may lead to the impossibility of servicing lighters of Swiss origin and thus to endangering further Swiss exports, the Swiss authorities earnestly expect the British authorities to cause the necessary steps to be taken in order to bring these duties down to a reasonable level. You undertook to submit this request to the appropriate authorities.

I should be grateful if you would confirm that the United Kingdom Government accept the suggestions set out

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in the first paragraph of this letter and that paragraphs 2, 3, 4 and 5 relate accurately the conclusions reached in our discussions.

Yours sincerely,

BRITISH LEGATION,
COMMERCIAL DEPARTMENT,
BERNE

(13/3/83/52) rb/ck

30th July 1952.

Dear Mr. Schaffner,

I am writing to acknowledge your letter of the 30th July which reads as follows:-

"I am writing to you to say that the Federal authorities are willing, if the United Kingdom Government will also do so, to continue until 31st December, 1952, to act in accordance with the arrangements set out in the Anglo-Swiss Agreed Minute on Trade and Payments of the 12th February, 1951, subject to the understandings set out in the following sub-paragraphs:

(a) The arrangements recorded in the Agreed Minute which have been affected by measures either of restriction or of liberalisation taken by the two countries will be regarded as having been amended in that respect.

(b) To the extent to which quotas allocated for the four months March to June, 1952, have not been applied for, licences will be issued for the outstanding amounts together with the amounts allocated for the period 1st July to the 31st December, 1952. Applications for import licences may be submitted to the United Kingdom authorities up to 31st January, 1953, and licences will be valid up to 30th April, 1953.

(c) In respect of quota items (other than bolting cloth) in the textile sector, the United Kingdom authorities are prepared to consider any Swiss proposals with a view to agreeing exceptionally to the transfer in particular cases from one quota to another of amounts which cannot be utilised for market reasons

(d) Quota No. 20 is amended to read as follows:
"Apparel or underwear (not containing cashmere) trimmed with handmade lace, with machine made lace of the types specified in item 20(a), or with embroideries on net or dissoluble fabrics of the types specified in item 16."

20(a)/..

Mr. H. Schaffner,
Division of Commerce,
Bundeshaus,
Berne. 1427

BRITISH LEGATION,
BERNE

"20(a) Machine made curtain net and lace of the following types: Plain net (unfigured tulle) other than nylon; curtain net made on the Nottingham lace curtain machine or Sander and Graff machine or warp knitting machine or lace made on the Barmen machine."

(e) Quota No. 41 is amended to read:-

£'000 c.i.f.

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3. I drew your attention to the exceptional hardship that would, in the view of the Swiss authorities be caused to the Swiss exporters of ribbons if arrangements could not be made by September to enable the United Kingdom importers to place orders with them for deliveries in January and February for the spring season. You declared that it was the intention of the United Kingdom Government to keep this problem carefully in mind in making their plans for imports in the first half of 1953; it was not possible at this stage to anticipate what special measures, if any, might be found practicable, but the United Kingdom authorities would be ready to discuss the matter further early in October, should the Swiss authorities so desire. I took note of your statement but pointed out that this declaration could not be considered as satisfactory by the Swiss authorities.

4. I expressed to you the grave concern of the Swiss authorities at the low level of British deliveries in recent years of certain raw materials and semi-finished products, of which Swiss industry is in great need and which are essential to the fulfilment of the substantial machinery requirements of the U.K. and of other sterling area countries. I stressed once again that the Swiss authorities expect a more favourable consideration than in the past of their requests mentioned in the list submitted to the United Kingdom delegation in London in May last, in particular of:

metric tons

Iron and steel, including	1220 tons
alloyed machinery steel,	1500 tons
stainless steel (nickel content above 8%),	100 tons
valve steel,	1500 tons
tinplate,	2000 tons
electrical sheet	16,100

- 4 -

BRITISH LEGATION,
BERNEmetric tons

Ferro-alloys (ferro-molybdenum, ferro-tungsten, ferro-titanium, ferro-columbium, etc.)	100
Nickel	1,000
Solid fuel (according to special list of 24th July, 1952).	

You said that in view of the general shortage of steel the United Kingdom authorities could not undertake that any particular requirements could be met but that they would be ready to examine sympathetically a limited number of cases selected by the Federal authorities by reason of their special importance. You also stated that the United Kingdom authorities would make available to Switzerland before the end of 1952 five hundred tons of tinsplate and, as regards unwrought nickel, that the estimate of what the United Kingdom is likely to supply before the end of 1952, subject to availability and allocation by the International Materials Committee, is not less than 400 tons.

5. I told you that the Swiss authorities regret that no satisfactory solution has so far been found with regard to the excessive British import duties for repair parts for cigarette lighters. As this situation may lead to the impossibility of servicing lighters of Swiss origin and thus to endangering further Swiss exports, the Swiss authorities earnestly expect the British authorities to cause the necessary steps to be taken in order to bring these duties down to a reasonable level. You undertook to submit this request to the appropriate authorities.

I should be grateful if you would confirm that the United Kingdom Government accept the suggestions set out in the first paragraph of this letter and that paragraphs 2, 3, 4 and 5 relate accurately the conclusions reached in our discussions."

I confirm that the United Kingdom Government accept the suggestions set out in paragraph 1 of your letter and that paragraphs 2, 3, 4 and 5 relate accurately the conclusions reached in our discussions.

Your sincerely
Robert Burns.
(R. Burns)