

The Government of India would very much like to have a new trade agreement with Switzerland in replacement of the old one which was signed in October, 1959. The main object suggesting this revision is to provide for a regular dialogue of trade/commercial matters with the Government of Switzerland through the joint machinery at the Governmental level, whose specific task would be to revise the trends in Indo-Swiss trade and to advise ways and means of expanding it generally and increasing exports from India to Switzerland particularly. It is fully recognised that Switzerland has a free market economy and the Government cannot undertake any obligation or commitment for Indian export or import, but the Government of India consider that creation of such a machinery will never-the-less be useful.

2. In case the Swiss Government have got some strong views regarding the trade agreement, we would suggest that a meeting of Indo-Swiss joint commission, as provided for in paragraph 4 of the October 1959 Agreement, might be called. The meeting of the Commission comprising representatives of the two Governments, will facilitate consultations on measures for the promotion and extension of trade relations between India and Switzerland. They could review the Indo-Swiss trade and discuss any steps to increase the two-way trade with emphasis on increased imports from India to rectify the present imbalance. The Commission could also discuss in detail the trade problems relating to specific commodities like textiles, handloom fabrics and tobacco. Another important item could be to find ways and means to export Indian engineering goods. The question of advanced technical training of Indian technicians in the export oriented industries in Switzerland could also be discussed. In addition to these steps, the Commission could discuss any other items of mutual interest to promote the trade between the two countries.