

Kopie für: Herrn Staatssekretär F. Blankart,  
Direktor des Bundesamtes für Aussenwirtschaft  
EVD/BAWI

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Herrn  
Botschafter P.-L. Girard  
Delegierter für Handelsverträge  
Bundesamt für Aussenwirtschaft  
Bundeshaus Ost

EVD/BAWI

**Follow up des Besuchs der Schweizerischen  
Wirtschaftsdelegation in Seoul, 1. bis 4. April 1991**

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Herr Botschafter,

Bald wird sich der Besuch der Schweizerischen Wirtschaftsdelegation, welcher im vergangenen April unter der Leitung von Bundesrat Delamuraz erfolgte, jähren. Der Zeitpunkt scheint mir deshalb gekommen, einige Ueberlegungen hinsichtlich der entsprechenden Nachfolgeaktionen zu stellen.

In einem Brief vom 27. Juni 1991 hat uns der Dienst für Pazifische Industrieländer eine Zusammenstellung von Vorschlägen für die Fortsetzung der Aktivitäten nach dem erwähnten Besuch zuge stellt. Einige der gesteckten Ziele konnten in der Zwischenzeit realisiert werden.

So veranstaltete der VSM vom 18. bis 21. September 1991 eine Korea-Reise mit Industrie-Vertretern aus dem Bereich der Umwelttechnologie, welche hier auf Interesse gestossen ist. Zudem konnte die Botschaft in zahlreichen kleineren und grösseren



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Einzelfällen, nicht zuletzt auch basierend auf der vorangegangenen Wirtschaftsmission, erfolgreich intervenieren. Was die vorgesehenen GMP-Verhandlungen anbelangt, so war es bekanntlich aus internen schweizerischen Gründen nicht möglich, diese Materie weiterzuverfolgen.

In allen übrigen Diskussionspunkten sind wir allerdings bis zum heutigen Tag nicht weitergekommen, wobei dieser Umstand in der Mehrzahl der Fälle auf grundsätzliche und gegenüber allen Handelspartnern zur Geltung gebrachten Widerstände der koreanischen Regierung zurückzuführen ist.

Im allgemeinen scheint mir der Zeitpunkt gekommen, die Entsendung einer grösseren Industriedelegation (eventuell beschränkt auf mittlere und kleinere Unternehmen) nach Südkorea zu überprüfen. Die koreanische Wirtschaft erlebt zwar gegenwärtig eine gewisse Exportschwäche, welche die Regierung durch die Eindämmung der stärker wachsenden Importe auszugleichen versucht. Andererseits sollen aber die Ausfuhren durch vermehrte Investitionen im Ausrüstungs- und R+D-Bereich gefördert werden, was gerade für unsere technologisch hochentwickelte Maschinenindustrie zur Ausweitung des bereits nicht unbeträchtlichen Marktpotentials führen könnte.

Für wichtig hielte ich zudem, den koreanischen Behörden die Einladung des Ministers of Trade and Industry, welche im vergangenen April Bundesrat Delamuraz dem damaligen Amtsinhaber gegenüber aussprach, in Erinnerung zu rufen. In Anbetracht der äusserst aktiven Besuchstätigkeit der Mehrzahl europäischer Staaten mit Südkorea, scheint mir eine Fortsetzung der Kontakte auf dieser Ebene von Bedeutung zu sein.

In diesem Zusammenhang möchte ich auch erwähnen, dass während nun bald drei Jahren in diesem Lande kein bilateraler Besuch hochrangiger Beamter mehr stattfand (seit Besuch de Pury im September 1989). Im Hinblick auf ein sinnvolles Nachfassen der durch die Wirtschaftsmission behandelten bzw. inzwischen neu aufgetauchte

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Thematik (z. B. TRIPS) wäre es deshalb unbedingt empfehlenswert, wenn Sie dieses Jahr in Ihrem - zweifellos sehr ausgelasteten - Zeitplan einige Tage für Seoul vormerken könnten. Ich werde mich in dieser Hinsicht auch an Staatssekretär Kellenberger richten, mit welchem Sie sich vielleicht gelegentlich zwecks einer Koordinierung von Besuchen in Korea in Verbindung setzen möchten.

Zu Ihrer Information sende ich Ihnen in der Beilage eine von meinem Mitarbeiter erstellte Uebersicht vom 18. Oktober 1991 über die beim Besuch von Bundesrat Delamuraz behandelten Punkte, welche sämtliche noch einer Lösung harren.

Mit freundlichen Grüßen  
Der Schweizerische Botschafter

W. Petscherin

Kopie an: Herrn Staatsekretär F. Blankart,  
Direktor BAWI

Beilage (5) erwähnt

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Seoul, 18. Oktober 1991

(a/L)

Handelsbeziehungen Schweiz-Korea  
 Follow-up des Besuchs von BR Delamuraz  
 EFTA-Meeting von heute vormittag

Zwischen der Schweiz und Korea bestehende Probleme in den Handelsbeziehungen:

### 1. Watch Industry

- Additional taxes on watches

On watches of a value of 400'000 won and above, an additional "special excise tax" of 20 % and an "education tax" (on the special excise tax) of 30 % are perceived.

- Marking of Origin Regulations

The obligation for submission of the certificate of the country of origin and price list by important components/parts makes it difficult for Swiss watch manufacturers to export their products to Korea if the watches are assembled in a third country (like Hong Kong or Thailand for instance) while using Swiss made movements or components/parts.

### 2. Textiles

- Recommendation system for silk fabrics

The necessary recommendation by the concerned association is in practice never given. Therefore, this system can be considered as a non-tariff-barrier.

- Mandatory marking for woolen fabrics

Imports by garment manufacturers are, as an exception, not subject to the marking (every 2 meters on the selvages).

### 3. Design protection for foreigners

### 4. Pharmaceuticals

- Clinical tests

Imported pharmaceutical products which have been marketed less than 3 years in the country of product development or which are sold in the country of origin only have to undergo a clinical test to determine their suitability for the physical constitution of Korean people.

- Reimbursement by health insurance for imported pharmaceuticals

Imported finished pharmaceuticals should be allowed for registration under the health insurance price (HIP). So far, refund for these pharmaceuticals has been based on the invoicing price to hospitals/clinics instead of the HIP.

- State tests for imported biologicals and antibiotics

Korea should simplify the procedure of inspection.

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## 5. Market access for agrochemicals and animal health products

### - Agrochemicals

The Formulation and Distribution market is still concentrated on 11 local companies. Liberalisation announced for 1993, but in the response to the Swiss memorandum no allusions towards a forthcoming liberalisation were made. Switzerland would welcome efforts made by the Korean Government to proceed with liberalisation on these markets as announced in 1990.

### - Veterinary preparations

Same problems faced as with agrochemicals.

## 6. Price posting system

The Swiss Government has proposed a price posting system in 1991 for finished products. This has been accepted by the Swiss Government, on condition that it is not applied to the following sectors:

PS: Regarding Patent Protection no news yet from MOFA

as well as regarding the protection of geographical indications. A suggestion was made that the Swiss Government should accept the principle of protection of geographical indications.

HN

## Recommendation system for milk legislation

The Swiss Government asked the Korean Government that the market price of imports of milk products is increased to the price paid by dairy farmers. It is also asked that the Korean Government accept imports of milk products from Switzerland. This proposal of Switzerland is based on the intention to increase the knowledge of milk legislation.

The Korean system for protection of local products is the biggest in the world and prices from Switzerland could also be increased.

## Marketing mechanism for agricultural products

The Swiss Government has asked the Korean Government to

B<sup>e</sup>ilage: Kopie Memorandum, welches dem MTI und dem EPB unterbreitet werden muss

submitted and rejected to the Swiss Government protocol to ban the sale of certain products from South Korea. These are successfully introduced in a few countries such as Australia and New Zealand. The Swiss Government has asked the Korean Government to do the same in South Korea.

However, the Swiss Government has been unable to find a fraction of the Swiss population willing to buy Swiss products.

## MEMORANDUM

The Government of Switzerland is grateful for the prompt and comprehensive reply regarding the memorandum submitted to His Excellency, Deputy Prime Minister and Minister of Economic Planning Board, Mr. CHOI Gak-Kyu, and His Excellency, Minister of Trade and Industry, Mr. LEE Bong-Suh, on the occasion of the visit of Federal Councillor Delamuraz to Seoul, on 1-4 April 1991.

The Government of Switzerland has examined the content of this reply carefully and, in the light of the comments made by the industries concerned, would like to make the following remarks.

### Additional taxes on watches

The Swiss Government highly appreciates the gradual reduction in duty rates for finished watches (presently 16%, 1992: 13%, 1994: 8%). However, on watches of a value of 400'000 Won and above, an additional "special excise tax" of 20% and an "education tax" (on the special excise tax) of 30% are perceived. These combined import charges still present a considerable obstacle to trade, despite the gradual tariff reduction. Furthermore the trade of watches is affected by the mandatory import price indication (see below). A reduction or removal of these taxes would therefore be appropriate.

### Recommendation system for silk fabrics

The Swiss Government notes the explanation given by the Korean Government that the maintenance of a recommendation system for imports of silk fabrics is necessary for the protection of local petty sericulturists. On the other hand, belonging to the biggest silk producers of the world, Korea is highly competitive and should accept imports of high price quality silk fabrics from Switzerland. Moreover a liberalisation of this system would also be in the interest of Korean consumers (and transformation industry) of silk fabrics.

### Mandatory marking for woollen fabrics

Korean marking regulations regarding certain wool fabrics are unique and cannot be found elsewhere in the world. Moreover, they are difficult to realise technically and therefore very costly. The Swiss Government shares the Korean Government's concerns about counterfeit and protection of the local consumers. However, the Swiss proposal to mark woollen fabrics with a seal is adequate to protect these products from counterfeit. This system has been successfully introduced in other countries to the satisfaction of all parties concerned. The Swiss Government would appreciate if the Ministry of Trade and Industry would reconsider the Swiss proposal or to make other suggestions towards a practical solution.

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### Design protection for foreigners

The Swiss demand to allow design protection to foreigners is not aimed at protecting Swiss goods on the Korean market, as stated in the response to the memorandum.

The exclusion of foreigners from the regulations of section 2, "Protection of Designs of Export Goods" of the Foreign Trade Act has the effect that foreign designs are not protected on the Korean market and can be copied and used for Korean products exported to third markets. Swiss companies have so far been severely damaged by illegal copying of Swiss designs by Korean entrepreneurs, since these compete with the copies against the Swiss originals on third markets.

This practice of discriminating foreigners is in contradiction with the spirit in which participants device rules and disciplines in the area of intellectual property protection of the Uruguay Round, which aims inter alia to prevent counterfeiting and piracy of intellectual property rights.

Swiss producers should therefore not be discriminated against and should have the right to register their designs as "designated goods" under the regulations of section 2, "Protection of Designs of Export Goods" of the Foreign Trade Act to protect them against counterfeit products on other markets.

### Pharmaceuticals

#### Clinical tests

Imported pharmaceutical products which have been marketed less than 3 years in the country of product development or which are sold in the country of origin only have to undergo a clinical test to determine their suitability for the physical constitution of Korean people. The Swiss Government considers this an unnecessary barrier to trade since no peculiar physical characteristics of the Korean people are known to warrant such additional tests. This obligation should hence be abolished. At the most, a study of tolerance and efficacy should be required.

#### Reimbursement by health insurance for imported pharmaceuticals:

In principle, under the current medical insurance system imported finished pharmaceuticals can be reimbursed. However, the registration of health insurance price (HIP) is not allowed for these products. Refund for these pharmaceuticals is therefore based on the invoicing price to hospitals/clinics instead of the HIP. Furthermore, if a local copy product exists, the refund for the imported drug is based on the lower HIP of the local copy product. The Swiss Government therefore considers that imported finished pharmaceuticals should be allowed for registration under the HIP regulation.

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#### State tests for imported biologicals and antibiotics:

The Swiss Government shares the Korean Government's concerns about national health. However, we would appreciate further efforts to simplify the procedures of inspection.

#### Market access for agrochemicals and animal health products

##### Agrochemicals

The Swiss Government highly welcomes the announced complete liberalisation of agrochemicals by 1993. Although foreign investment in local manufacturing of agrochemicals is not restricted, the Formulation and Distribution market is still concentrated on 11 local companies. In 1990 the Korean Government announced the liberalisation of the Formulation and Distribution market by 1993. In its response to the memorandum however, no allusions towards a forthcoming liberalisation were made, on the contrary, restrictions were justified with the necessity to protect local companies. Such a policy not only hinders the Swiss companies in establishing themselves in Korea and making contributions to the local economy, but also makes them reluctant with regard to long-term commitments and to establishing solid partnerships with local companies. The aspired improvement of technology, the relevant transfer or exchange of know-how and expertise for the benefit of Korean agriculture and chemical industry can only be achieved through an unrestricted access to the local market. Switzerland would welcome efforts made by the Korean Government to proceed with liberalisation on these markets as announced in 1990.

##### Veterinary preparations

Foreign companies face the same problems as mentioned in the par. on agrochemicals. So far no licences have been awarded to foreign firms for the Formulation and Distribution market.

##### Price posting system

Although the price posting system is also applied to locally produced goods, and therefore de jure not discriminating, the Swiss Government believes that the actual implementation of this regulation can lead to discriminatory and arbitrary decisions regarding which articles and which shops are to be subject to this system. Furthermore the Swiss Government considers that last year's expansion of the price posting system to import products is yet another move by the Korean Government to curb down on certain import goods.

The Swiss Government would very much appreciate a further consideration by the Ministry of Trade and Industry of the problems raised above and proposes to find ways to improve the situation in the context of the Uruguay Round market access negotiations.