## **BILATERAL**Agriculture

Swiss cheese has a symbol value. Since the middle of 2007, it has been possible to export cheese to the EU states free from customs duties. Swiss cheese producers are doing this successfully. Other areas have seen partial liberalisation and simplification of trade.

Since 2002, trade between Switzerland and the EU in agricultural products has been facilitated. This step opens up individual market segments (e.g. cheese). Trade barriers such as customs duties and differing regulations (e.g. in crop protection) are in part being dismantled. After all, the EU is also Switzerland's most important trading partner in the agricultural sector. In 2008, 65% of Swiss exports with a value of 4.9 billion francs went to the EU. Indirectly, roughly every fourth litre of Swiss milk is now exported. In 2008, just 78% of imports (with a value of 9.1 billion francs) came from the EU. Consumers also benefit from this in the form of generally lower prices.

Just how important the opening of the markets is, is illustrated particularly clearly by the cheese sector: The cheese trade has been liberalised in stages. Since 2007, it has been possible to export and import all types of cheese to and from the EU without customs duties. Swiss exports of cheese rose by a full 7% per annum between 2005 and 2007.

The export and import of fruit, vegetables, meat, wine and horticultural products have seen partial facilitation. In addition, various regulations have received reciprocal recognition, thus facilitating trade (wine, spirits, crop protection, animal feed and seeds as well as hygiene and veterinary regulations). This is also of importance for producers of biological products because the Bio certificate is recognised in the EU.

## Trade in cheese

In 2008, exports of Swiss cheese to the EU totalled 50,000 metric tonnes with a value of 475 million francs. Swiss exporters enjoy success above all in the segment for expensive and high quality cheese. Whilst the Italians and French buy mostly Emmentaler, the Spanish, Portuguese and British prefer Gruyère. The most popular Swiss cheese in Germany is Appenzeller. Conversely, around 41,000 tonnes of cheese were imported from the EU in 2008 (around 380 million francs) – above all bulk goods which were used by the Swiss cheese industry. The main suppliers are France and Italy. The most popular specialty imports are Mascarpone, Ricotta, Mozzarella and soft cheese.

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The liberalisation of the cheese trade has made it easier and cheaper for me to export to the EU. My main market is Germany and the best sellers are the quarter-fat cheeses and our own specialties such as "Sichel" cheese or the special Easter and Christmas cheeses. I have also tried exporting bear's garlic cheese, but it was not so well received. For us as a small cheese company, it is important to have a good cheese trader who promotes our products in the EU – this is essential to success. And: You must find your own niche in order to enter the market with own specialties.

Hans Stettler, Cheesemaker

