

## FOCUS ON INTERNATIONAL TRADE

**SWITZERLAND**

### THE REPUBLIC OF SWITZERLAND TODAY

Location	The Swiss Confederation lies in Central Europe, bounded to the north by Germany, to the east by Austria and Liechtenstein, to the south by Italy and to the west by France.
Size	41,277 Sq. K.M. Land: 39,997 sq. km. and water: 1.280 sq. km.
Land boundaries	Total: 1,852 km. Border countries: Austria: 164 km., France: 573 km., Italy 740 km., Liechtenstein 41 km., and Germany 334 km.
Coastline	Since the country is a landlocked country there is on coastline.
Elevation Extreme	Lowest point: Lake Maggiore: 195 meter and Highest point: Dufourspitze 4,634 meter.
Land use	Arable land: 9.91%, Permanent crops: 0.58% and other: 89.51%.
Irrigated land	250 sq. km.
Population	8,508,698 estimated for 2022.
Population Density	206 per sq. km.
Population growth rate	0.65% estimated for 2022.
Literacy rate	99%.
Life expectancy at birth	Total population: 83.23 years, male: 80.91 years and female: 85.67 years estimated for 2022.
Birth rate	10.36 births/1,000 populations estimated for 2022.
Death rate	8.4 deaths/1,000 populations estimated for 2022.
Net migration rate	4.52 migrant(s)/1,000 populations estimated for 2022.
Capital City	Berne/Bern.
Other Large Cities	Zurich, Luzern, Altdorf, Schwyz, Sarnen, Stans, Glarus, Zug, Fribourg, Solothurn, Basel, Liestel, Schaffhausen, Herisau, Appenzell, St. Gallen, Chur, Aarau, Frawnfeld, Bellinzona, Lausanne, Sion, Neuchatel, Geneva, Delemont etc.
Religion	Roman Catholic 41.8%, Protestant 35.3%, Muslim 4.3%, (2000 census).
Language	There are three official languages – German, French and Italian spoken by 73.4%, 20.5% and 4.1% of resident Swiss nationals respectively in 1990. Raeto-Romansch, spoken by 0.7% of Swiss nationals in 1990, mainly in parts of the Canton of Graubunden (Grisons) in eastern Switzerland, is expected to become the fourth official language.
Climate	The climate is generally temperate, but varies considerably with altitude and aspect. In Zurich the average temperature ranges from $-1^{\circ}\text{C}$ ( $30^{\circ}\text{F}$ ) in winter to $16^{\circ}\text{C}$ ( $61^{\circ}\text{F}$ ) in summer.
International Relations	Switzerland is a member of the OECD, EFTA, the Council of Europe and NATO partnership of peace, and applied to join the EU on 26 <sup>th</sup> May 1992. In referendums in 1986 the electorate voted against joining the UN and in December 1992 the European Economic Area.
International dialing code	+41
Currency	The unit of currency is the Swiss France (CHF).

## **NATIONAL ECONOMY**

The Swiss economy recovered strongly in 2021 and early 2022, reflecting agile, supportive policies and a global pickup. Growth was 3.7 percent last year, with output 1 percent higher than 2019 and 2 percent below pre-Covid trends. Employment has surpassed pre-crisis levels. The authorities continually adapted Covid-19 mitigation measures; pandemic support remained strong and monetary policy accommodative. Bank profitability and capitalization held up well, buoyed by Covid-19 support to firms and households, sustained lending, and fee income, with NPLs at low levels. Strong exports (watches, instruments, pharmaceuticals) and merchanting contributed to a higher current account surplus. The recovery was uneven, however, notably in Covid-hit sectors (hospitality, transport), and inflation has picked up, albeit less than in other advanced economies.

Growth is expected to slow in 2022—remaining above medium-term potential, but dampened by spillovers from the war in Ukraine. Direct exposures to the war (exports, energy, financial sector, investment) appear limited, but indirect effects—higher energy and commodity prices, supply disruptions, complex financial exposures (commodity trade, wealth management), and lower regional and global growth—could be substantial. Switzerland is hosting over 50,000 refugees from Ukraine. Fiscal and monetary policies remain supportive, and higher household savings during Covid-19 should buoy consumption and growth. The war in Ukraine is also likely to affect activity in 2023 with growth projected at 2¼ percent. Unemployment could rise in 2022 as Covid-19 support is withdrawn, but should remain lower on average than in 2021. Inflation is expected to average 2½ percent this year, before easing to 1.6 percent in 2023.

Risks are tilted to the downside with high uncertainty. The war in Ukraine is a major source of uncertainty (scope, duration). Worsening of the war could lead to sharply higher commodity prices, supply disruptions, and even-lower regional and global growth, with risks to financial markets. Increased volatility could intensify flight to the franc and appreciation pressures. Besides the war and inflation, other risks include adverse Covid-19 developments, cyber threats, and residential real-estate imbalances, where a sharp rate rise could trigger price corrections and impacts on households, banks, and activity. Medium-term challenges include population aging and climate change. Lack of clarity on EU relations is a concern.

### **Executive Board Assessment**

In the course of Article IV consultation between IMF and Switzerland, Directors of IMF welcomed Switzerland's robust recovery and the authorities' strong, adaptive response to the Covid-19 pandemic. Directors noted that while the recovery is expected to continue, there are challenges linked to the war in Ukraine and to longer-term issues, such as aging and climate change. They stressed that policies should remain agile in responding to the impacts from the war and to foster a green-digital transformation.

Directors agreed that the current fiscal policy stance was appropriate. They emphasized the importance of maintaining flexibility to respond to adverse developments. Noting that the fiscal framework requires the offsetting of extraordinary spending via future surpluses, Directors agreed that extending the offset period for Covid-19-related extraordinary spending was appropriate, given the magnitude of outlays. They emphasized the need for a medium-term fiscal plan to address rising spending pressures, related to aging, climate transition, energy security, and defense. The plan would also help manage potential revenue losses from tax reforms.

Directors underscored the importance of preparing for monetary policy normalization and noted risks related to higher, more persistent inflation. They encouraged the central bank to remain vigilant, review its tools, and adjust policy settings when needed. Directors recognized that policy-rate changes would be the most effective tool, accompanied by foreign exchange intervention to manage excessive volatility, if necessary, and also agreed that there is scope for nominal appreciation to ease inflation pressures. They emphasized that effective communication would help support a smooth transition from a long period of accommodation.

Directors welcomed the continued banking sector resilience and steps taken to strengthen financial stability, including the reactivation of the countercyclical capital buffer for real estate. Noting rising vulnerabilities related to residential real estate and the war, Directors recommended continued close monitoring of risks and further progress on 2019 FSAP recommendations, including early expansion of the macro prudential toolkit. They emphasized the need to build on recent efforts to further strengthen the AML/CFT framework, enhance fintech regulation and supervision, and promote climate reporting and green finance.

Directors welcomed the authorities' efforts to advance emissions reduction and energy security and progress on labor market and pension reforms. They encouraged continued efforts to close skills gaps and improve the efficiency and performance of pension funds. Directors expressed support for efforts to establish strong bilateral arrangements with the EU.

<b>Switzerland: Selected Economic Indicators, 2020–23</b>				
	2020	2021	2022	2023
			Proj.	Proj.
<b>Output</b>				
Real GDP growth (%)	-2.5	3.7	2.2	1.4
<b>Unemployment</b>				
Unemployment (%)	3.1	3.0	2.6	2.7
<b>Prices</b>				
Inflation (period average, %)	-0.7	0.6	2.5	1.6
<b>General government finances</b>				
Revenue (% GDP)	33.5	33.8	32.9	32.4
Expenditure (% GDP)	36.5	34.5	33.2	32.3
Fiscal balance (% GDP)	-3.0	-0.7	-0.3	0.1
Public debt (% GDP)	42.6	41.4	40.1	38.9
<b>Monetary and credit</b>				
Broad money (% change)	6.5	1.4	...	...
Credit to the private sector (% change)	2.4	3.8	...	...
3-month Treasury bill interest rate (%)	-0.8	-0.8	...	...
<b>Balance of payments</b>				
Current account (% GDP)	2.8	9.3	6.3	7.0
Net FDI (% GDP)	16.8	-2.5	...	...
Reserves (end-of-period, billions of US dollars)	1085	1111	...	...
External debt (% GDP)	280	287	...	...
<b>Exchange rates</b>				
REER (% change)	3.9	-2.6	...	...
Sources: IMF's Information Notice System; Swiss Institute for Business Cycle Research; Swiss National Bank; and IMF staff estimates.				

"NATIONAL ECONOMY" is based on IMF Executive Board Concludes 2022 Article IV Consultation with Switzerland June 15, 2022.

## **FOREIGN TRADE**

**Switzerland's** total exports in 2017 were of the order of US\$ 299,331 million. It increased to US\$ 379,771 million in 2021. Exports during the period from 2017 to 2021, in terms of percentage, grew highest (19.21%) in 2021 and lowest (1.02%) in 2019 in comparison with 2020 and 2018 respectively. The annual average compound rate of growth worked out at 6.13%.

Imports, on the other hand, were of the order of US\$ 323,356 million in 2021 while in 2017 it was US\$ 267,494 million. Imports during the period from 2017 to 2021, in terms of percentage, grew highest (11.35%) in 2021 and fell maximum (-0.82%) in 2019 as compared to 2020 and 2018 respectively. The annual average compound growth rate worked out at 4.86%.

Volume of trade registered an annual average (compound) rate of growth of 5.56% from US\$ 566,825 million in 2017 to US\$ 703,127 million in 2021. Switzerland enjoyed a surplus balance of trade payment during the said period.

Switzerland's export and import, volume and balance of trade between 2017 and 2021 along with their growth rates are given in **Table-I**.

Switzerland's principal trading partners are Germany, USA, France, Italy, UK, Japan, Austria, Hong-Kong, Belgium-Luxembourg, Singapore, Spain, Netherlands, Sweden, Ireland, and Netherlands etc.

Main exportable commodities were Machinery (incl. Electrical), Chemicals, Pharmaceutical Products, Metal Products, Clocks and Watches, Precision Instruments, Chemical elements and plastics, Precious Metals and Gemstones, Agricultural and Forestry Products, Paper, paperboard and graphics, Textile yarn and fabrics etc.

Major imported items in 2004 were Machinery (incl. Electrical), Mineral fuels, Agricultural and forestry products, Pharmaceutical products, Passenger cars, Metal products precision instruments, Aircraft, Chemical elements and plastics, clothing, Articles of plastics etc.

Swiss companies are extremely competitive in world markets. In some branches, more than 90% of goods and services are exported. Apart from normal export commodities, consultancy, banking, insurance and tourism are also part of the export trade.

There are international airports at Basle, Berne, Geneva, Lugano and Zurich. Swissair, the former national carrier, faced collapse and grounded flights in October 2001. In April 2002 a successor airline, swiss, took over as the national carrier. Services were also provided in 2003 by over 80 foreign airlines. Crossair is the second largest airline. Zurich is the busiest airport. The Swiss Rhine and Canal fleet numbered 127 vessels in 1998.

## **BILATERAL TRADE WITH INDIA**

Indo-Switzerland bilateral trade in 2017-18 was of the order of Rs.128,968.81 crores. It increased to Rs.184,354.09 crores in 2021-22. The annual compound growth rate of volume of trade during the period from 2017-18 to 2021-22 was 9.34%. India faced a deficit balance of trade during the said period (**see table II**). The average annual compound growth rates of exports and imports worked out at 9.68% and 9.32% respectively.

India's exports to, and imports from Switzerland of Merchandise Goods between 2017-18 and 2021-22 along with their growth rates are presented in **Table II**.

India's top ten merchandise goods exported to and imported from Switzerland, during 2017-18 to 2021-22, along with their growth rates are depicted in **Table III & IV** respectively.

## Some important links:-

### Embassy of India

Postfach 406,  
Kirchenfeldstrasse 28,  
CH-3005, Berne-6,  
Switzerland

**Telephone:** 00-41-31-3511110, 3511046

**Fax:** 00-41-31-3511557

**Email:** [india@indembassybern.ch](mailto:india@indembassybern.ch)

**Web:** [www.indembassybern.ch](http://www.indembassybern.ch)

### Switzerland (Swiss Conf.)

Sonnenbergstrasse 50, 8032, Zurich,  
Switzerland.

[\*Under jurisdiction of Embassy of  
India, Berne, Switzerland].

Telephone: 00-41-43-3443214 (O); 2685100 (R); +79 2680808 (M)

Fax: 00-41-43-2685102

E-Mail: [jhm@makwana.com](mailto:jhm@makwana.com)

Web: [www.makwana.ch](http://www.makwana.ch)

### Embassy of Switzerland

NyayaMarg  
Chanakyapuri  
New Delhi-110021

**Telephone:** +91-11-2687 8534, 2687 8372, 2687 8373, 687 8374

**Fax:** +91-11-2687 3093, 2611 2220

## Names and addresses of the organizations engaged in foreign trade in Switzerland are:-

### OSEC Business Network Switzerland

Stampfenbachstrasse 85

P.O.Box 492

8035 ZURICH

**Tel:** (00411) 3655151

**Fax:** (00411) 3655221

**Email:** [info@osec.ch](mailto:info@osec.ch)

**URL:** <http://www.osec.ch>

### Swiss Import Promotion Programme (SIPPO)

Stampfenbachstrasse 85

P.O.Box 492

8035 ZURICH

**Tel:** (00411) 3655200

**Fax:** (00411) 3655202

**Email:** [info@sippo.ch](mailto:info@sippo.ch)

**URL:** <http://www/sippo.ch>

**Trade Point Geneva**  
**World Trade Center Geneva**  
**29, route de Pre-Bois**  
**Case postale 896**  
**1215 GENEVA**  
**Tel: (004122) 9295656**  
**Fax: (004122) 9295629**  
**Email: [tpgeneva@bluewin.ch](mailto:tpgeneva@bluewin.ch)**  
**URL: <http://www.tpgva.ch>**

**Association Swiss Export**  
**Neugasse 10**  
**P.O.Box 7325**  
**8023 ZURICH**  
**Tel: (004143) 4444868**  
**Fax: (004143) 4444869**  
**Email: [swissexport@swisstrade.com](mailto:swissexport@swisstrade.com)**  
**URL: <http://www.swisstrade.com>**

**Source: The Statesman Year Book, the Europa World Year Book,  
Monthly Bulletin on Statistics UN Publication, IMF,  
the World Fact Book, World Development Indicator,  
MEA and D.G.C.I & S etc.**

**"NOTICE"**

**Rights of permission for reproduction in part or entirely of these official papers  
published in the Indian Trade Journal is reserved by the Directorate General of  
Commercial Intelligence & Statistics, Kolkata – 700 107.**

## TABLE-I

### SWITZERLAND'S TOTAL EXPORTS AND IMPORTS, VOLUME AND BALANCE OF TRADE BETWEEN 2017 TO 2021.

(Figures in US MILLION DOLLARS)

<i>Year</i>	<i>Exports</i>	<i>Percentage Growth in Exports</i>	<i>Import</i>	<i>Percentage Growth in Imports</i>	<i>Volume of Trade</i>	<i>Percentage Growth in Vol. of Trade</i>	<i>Balance of Trade</i>
2017	299331		267494		5,66,825		31837
2018	310524	3.74	278671	4.18	5,89,195	3.95	31853
2019	313686	1.02	276388	-0.82	5,90,074	0.15	37298
2020	318580	1.56	290402	5.07	6,08,982	3.20	28178
2021	379771	19.21	323356	11.35	7,03,127	15.46	56415

**Annual  
Compound  
Growth  
Rate**

**6.13**

**4.86**

**5.53**

**NOTE :** Figures relate to calendar year, January to December.

**SOURCE :** *UN COMTRADE PUBLICATION*

## **TABLE - II**

### **INDIA'S EXPORT TO AND IMPORT FROM SWITZERLAND MERCHANDISE GOODS DURING 2017-2018 TO 2021-2022**

(Value in Rs. CRORES)

<b>Year</b>	<b>Exports</b>	<b>Percentage Growth in Exports</b>	<b>Import</b>	<b>Percentage Growth in Imports</b>	<b>Volume of Trade</b>	<b>Percentage Growth in Vol. of Trade</b>	<b>Balance of Trade</b>
2017-18	6950.87		122017.94		128968.81		-115067.07
2018-19	8291.90	19.29	126096.26	3.34	134388.16	4.20	-117804.36
2019-20	8504.73	2.57	119239.41	-5.44	127744.14	-4.94	-110734.68
2020-21	9342.54	9.85	133868.27	12.27	143210.81	12.11	-124525.73
2021-22	10059.02	7.67	174295.07	30.20	184354.09	28.73	-164236.05

**Annual  
Compound  
Growth  
Rate**

**9.68**

**9.32**

**9.34**

NOTE : Figures relate to Financial Year April to March.

SOURCE : Directorate General of Commercial Intelligence & Statistics,  
Ministry of Commerce & Industry, Kolkata 700 107.

**TABLE -III****INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORT TO SWITZERLAND****2017-2018 TO 2021-2022 AND THEIR GROWTH RATES****( Value in Rs. CRORES)**

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2017-18	2018-19	2019-20	2020-21	2021-22	18-19 over 2017-18	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21
<b>1</b>	<b>Residual Chemicals &amp; Allied Products</b>	<b>1007.01</b>	<b>1744.84</b>	<b>1909.25</b>	<b>2216.34</b>	<b>2052.98</b>	<b>73.27</b>	<b>9.42</b>	<b>16.08</b>	<b>-7.37</b>
	Share in total export	14.49	21.04	22.45	23.72	20.41				
<b>2</b>	<b>Iron And Steel</b>	<b>25.25</b>	<b>37.38</b>	<b>37.75</b>	<b>55.04</b>	<b>1573.81</b>	<b>48.04</b>	<b>0.99</b>	<b>45.80</b>	<b>2759.39</b>
	Share in total export	0.36	0.45	0.44	0.59	15.65				
<b>3</b>	<b>Organic Chemicals</b>	<b>969.95</b>	<b>1212.08</b>	<b>1343.58</b>	<b>1243.98</b>	<b>1422.87</b>	<b>24.96</b>	<b>10.85</b>	<b>-7.41</b>	<b>14.38</b>
	Share in total export	13.95	14.62	15.80	13.32	14.15				
<b>4</b>	<b>Pearls, Precs., Semi-Prces Stones</b>	<b>1350.37</b>	<b>1475.78</b>	<b>913.16</b>	<b>496.09</b>	<b>999.29</b>	<b>9.29</b>	<b>-38.12</b>	<b>-45.67</b>	<b>101.43</b>
	Share in total export	19.43	17.80	10.74	5.31	9.93				
<b>5</b>	<b>Bulk Drugs, Drugs Intermediates</b>	<b>469.91</b>	<b>577.19</b>	<b>769.03</b>	<b>700.55</b>	<b>662.18</b>	<b>22.83</b>	<b>33.24</b>	<b>-8.90</b>	<b>-5.48</b>
	Share in total export	6.76	6.96	9.04	7.50	6.58				
<b>6</b>	<b>Misc. Chemicals</b>	<b>169.78</b>	<b>106.36</b>	<b>154.77</b>	<b>414.19</b>	<b>456.50</b>	<b>-37.35</b>	<b>45.52</b>	<b>167.62</b>	<b>10.22</b>
	Share in total export	2.44	1.28	1.82	4.43	4.54				
<b>7</b>	<b>Misc. Engineering Items</b>	<b>201.86</b>	<b>271.01</b>	<b>234.72</b>	<b>238.14</b>	<b>285.16</b>	<b>34.26</b>	<b>-13.39</b>	<b>1.46</b>	<b>19.74</b>
	Share in total export	2.90	3.27	2.76	2.55	2.83				
<b>8</b>	<b>Gold And Other Precs. Metl. Jewellery</b>	<b>424.15</b>	<b>184.60</b>	<b>124.96</b>	<b>43.46</b>	<b>172.94</b>	<b>-56.48</b>	<b>-32.31</b>	<b>-65.22</b>	<b>297.93</b>
	Share in total export	6.10	2.23	1.47	0.47	1.72				
<b>9</b>	<b>Dyes</b>	<b>133.61</b>	<b>137.04</b>	<b>222.01</b>	<b>140.06</b>	<b>167.88</b>	<b>2.57</b>	<b>62.00</b>	<b>-36.91</b>	<b>19.86</b>
	Share in total export	1.92	1.65	2.61	1.50	1.67				
<b>10</b>	<b>Aircraft, Spacecraft And Parts</b>	<b>132.91</b>	<b>153.66</b>	<b>53.80</b>	<b>175.23</b>	<b>152.85</b>	<b>15.61</b>	<b>-64.99</b>	<b>225.71</b>	<b>-12.77</b>
	Share in total export	1.91	1.85	0.63	1.88	1.52				
	<b>Total export to SWITZERLAND</b>	<b>6950.87</b>	<b>8291.90</b>	<b>8504.73</b>	<b>9342.54</b>	<b>10059.02</b>	<b>19.29</b>	<b>2.57</b>	<b>9.85</b>	<b>7.67</b>

**NOTE** : Figures relate to Financial Year, April to March.**SOURCE** : Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce & Industry, Kolkata : 700 107.

**TABLE -IV**  
**INDIA'S MAJOR ITEMS OF IMPORT FROM SWITZERLAND**  
**2017-2018 TO 2021-2022 AND THEIR GROWTH RATES**  
(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2017-18	2018-19	2019-20	2020-21	2021-22	18-19 over 2017-18	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21
1	<b>Gold</b>	110669.65	106028.91	102017.24	119384.94	154522.74	-4.19	-3.78	17.02	29.43
	Share in total imports	90.70	84.09	85.56	89.18	88.66				
2	<b>Coal, Coke And Briquettes</b>		1170.15	949.96	1483.99	3156.24		-18.82	56.22	112.69
	Share in total imports		0.93	0.80	1.11	1.81				
3	<b>Drugs, Formulations Biologicals</b>	854.70	2112.41	2198.05	2494.31	2906.80	147.15	4.05	13.48	16.54
	Share in total imports.	0.70	1.68	1.84	1.86	1.67				
4	<b>Medical &amp; Scientific Instruments</b>	1028.55	1367.13	1564.21	1134.31	1585.43	32.92	14.42	-27.48	39.77
	Share in total import	0.84	1.08	1.31	0.85	0.91				
5	<b>Misc Engineering Items</b>	1104.62	1228.42	1140.70	991.83	1460.82	11.21	-7.14	-13.05	47.29
	Share in total import	0.91	0.97	0.96	0.74	0.84				
6	<b>Indl. Machinery For Dairy Etc.</b>	1479.09	1351.17	1089.62	869.12	1346.02	-8.65	-19.36	-20.24	54.87
	Share in total import	1.21	1.07	0.91	0.65	0.77				
7	<b>Vegetable Oils</b>		790.58	1147.76	1212.60	1245.98		45.18	5.65	2.75
	Share in total import		0.63	0.96	0.91	0.71				
8	<b>Silver</b>	293.15	724.66	1231.42	72.32	801.86	147.20	69.93	-94.13	1008.77
	Share in total import	0.24	0.57	1.03	0.05	0.46				
9	<b>Electric Machinery And Equipt.</b>	493.48	619.50	705.81	733.12	584.63	25.54	13.93	3.87	-20.25
	Share in total import	0.40	0.49	0.59	0.55	0.34				
10	<b>Organic Chemicals</b>	791.73	529.78	455.72	516.48	554.36	-33.09	-13.98	13.33	7.33
	Share in total import	0.65	0.42	0.38	0.39	0.32				
	<b>Total import from SWITZERLAND</b>	122017.94	126096.26	119239.41	133868.27	174295.04	3.34	-5.44	12.27	30.20

**NOTE** : Figures relate to Financial Year, April to March.

**SOURCE** : Directorate General of Commercial Intelligence & Statistics, Ministry of Commerce & Industry, Kolkata : 700 107.