



## High US tariffs in force – continue negotiations and strengthen Switzerland as a business location

### Key points:

- Switzerland was unable to reach an agreement with the US within the deadline.
- The 39 percent tariff comes into force today and represents a severe burden for the Swiss economy.
- The Federal Council is urged to continue negotiations with the US as a matter of the highest priority. A swift agreement on reducing tariffs is urgently needed. It is essential that the Federal Council and business community presents a united front.
- At the same time, the implementation of a package of measures is now essential to strengthen Switzerland as a business location.

Switzerland has so far been unable to reach an agreement on reducing US tariffs. With immediate effect, Switzerland is subject to a disproportionately high tariff rate of 39 percent. The new tariffs are hitting Switzerland's export-oriented economy hard. They severely impair the international competitiveness of our companies in the US market, jeopardize long-standing trade relations, and put thousands of jobs at serious risk. This significantly increases the economic risk for Switzerland as a business location.

### Continuing talks with the US with the highest priority

The Federal Council is urged to continue negotiations with the US as a matter of the highest priority. A swift agreement on reducing tariffs is essential. There is a lot at stake for Swiss companies: without a lasting settlement of the tariff dispute, Swiss companies face significant disadvantages in their most important export market, the US.

Meanwhile, given these high tariffs, a level-headed approach is called for. It is crucial that the Federal Council and the business community present a united front in order to reach an agreement with the US as quickly as possible. A coordinated and unified approach is of central importance. *economiesuisse* advocates a comprehensive approach to resolving the tariff dispute. Individual economic sectors cannot be played off against each other.

## **A package of measures is needed to strengthen Switzerland as a business location**

Swiss politics must now also take decisive action. A package of measures is urgently needed to strengthen Switzerland as a business location. The Swiss economy must not be restricted and burdened by further laws and regulations. It is also essential to reduce the cost burden on companies and employees.

At the same time, as an open economy, Switzerland depends on the best possible access to markets around the world. Secure access to the EU single market and free trade agreements worldwide are important. The rapid entry into force of the agreements with Mercosur, Vietnam, Thailand, and Malaysia, as well as an update of those with China and Mexico, are crucial.