

COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S INDIA-SWITZERLAND BILATERAL TRADE RELATIONS

INTRODUCTION & BRIEF ECONOMIC OVERVIEW

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. Switzerland is a member of the OECD, EFTA, the Council of Europe and NATO partnership of peace, and applied to join the EU on 26th May 1992. In referendums in 1986 the electorate voted against joining the UN and in December 1992 the European Economic Area. As per available data from DGCI&S database India and Switzerland have noticeable bilateral trade relations. It has been observed that India's total import value with Switzerland has been 3.14% of India's exports in FY2023-24 and Switzerland ranked 8th as an import country partner.

2. Switzerland has a stable, prosperous and high-tech economy. It is the world's wealthiest country per capita in multiple rankings. The country ranks as one of the least corrupt countries in the world, while its banking sector is rated as "one of the most corrupt in the world". It has the world's twentieth largest economy by nominal GDP and the thirty-eighth largest by purchasing power parity. As per IMF Executive Board Concludes 2024 Article IV Consultation with Switzerland June 24, 2024, weak external demand and tighter financial conditions lowered growth to 0.8 percent in 2023. The labour market remained resilient, although the unemployment is slowly rising from a historic low. The external current account (CA) surplus declined in 2023, with lower merchanting trade and a lower services trade balance. Fiscal policy has eased while maintaining a surplus. Monetary policy, along with global disinflation, has successfully brought inflation back within the 0-2 percent price stability range. The state-facilitated acquisition of Credit Suisse by UBS in 2023 stabilized financial markets, with limited spill over to the financial sector and to the economy. Growth is expected to recover gradually to 1.3 percent (1 percent adjusted for sports events) in 2024 and 1.4 percent (1.7 percent adjusted for sports events) in 2025, but uncertainties remain. Inflation is projected to remain within the price stability range, at 1.5 percent on average in 2024. The current account is projected to remain broadly unchanged, reflecting a gradual recovery in external demand countered by the appreciated currency. Medium-term growth hovers around 1.5 percent but faces headwinds related to adverse demographics trends, skills gaps, and lower trading partner growth.

A snapshot of Switzerland's select economic indicators is as under.

TABLE – 1

Switzerland: Selected Economic Indicators, 2021–25					
	2021	2022	2023	2024	2025
				Proj.	Proj.
Output					
Real GDP growth (%)	5.4	2.7	0.8	1.3	1.4
Unemployment					
Unemployment (%)	3.0	2.2	2.0	2.3	2.4
Prices					
Inflation (period average, %)	0.6	2.8	2.1	1.5	1.2
General Government Finances					
Revenue (% GDP)	34.2	33.1	32.5	32.5	32.4
Expenditure (% GDP)	34.5	31.9	32.0	32.0	32.1

Fiscal balance (% GDP)	-0.3	1.2	0.5	0.5	0.2
Public debt (% GDP)	41.0	37.7	38.3	36.7	35.6
Monetary and Credit					
Broad money (% change)	1.4	0.1	-2.0	2.9	2.6
Credit to the private sector (% change)	3.8	2.6	1.8	2.9	2.6
3-month Treasury bill interest rate (%)	-0.8	0.9	1.7	...	...
Balance of Payments					
Current account (% GDP)	6.9	9.4	7.6	8.2	7.6
Net FDI (% GDP)	2.4	-1.6	10.8	...	...
Reserves (end-of-period, billions of US dollars)	1014	852	724	...	...
External debt (% GDP)	293.3	274.7	241.1	...	...
Exchange Rates					
CPI-based REER (% change)	-2.5	0.3	3.1	...	...
Sources: IMF's Information Notice System; Swiss Institute for Business Cycle Research; Swiss National Bank; IMF World Economic Outlook database and IMF staff estimates and projections.					

Source : IMF Executive Board Concludes 2024 Article IV Consultation with Switzerland June 24, 2024.

FOREIGN TRADE

3. As per recent available inputs on WITS (World Integrated Trade Solution), the five major merchandise export partners of Switzerland are United States, Germany, China, India and Italy. On the other hand five major import partners of Switzerland are Germany, United Kingdom, United States, Italy and China. Major five exported goods of Switzerland are (i) Gold in unwrought forms non-monetary, (ii) Other medicaments of mixed or unmixed products, (iii) Human and animal blood; microbial cultures, (iv) Wrist-watches with automatic winding nes and (v) Art. of jewellery and pts thereof of/o prec mtl. On the other hand major five imported goods of Switzerland are (i) Gold in unwrought forms non-monetary, (ii) Other medicaments of mixed or unmixed products, (iii) Human and animal blood; microbial cultures, (iv) Art. of jewellery and pts thereof of/o prec mtl. and (v) Automobiles nes including gas turbine powered.

4. Switzerland's total exports globally in 2019 were of the order of US\$ 313,686 million. It had scaled upto US\$ 419,923 million in 2023. Exports from Switzerland had increased by 19.21% in the year 2021 just after the initial serious impact of Covid-19 pandemic. During the period from 2019 to 2023, the annual average compound rate of growth of exports was 7.56%.

5. Switzerland's total imports from the world in 2019 were of the order of US\$ 276,388 million and had touched US\$ 365,372 million mark in 2023. During the period from 2019 to 2023, the annual average compound rate of growth of imports was 7.23%.

6. Switzerland enjoyed an overall Balance of Trade surplus from 2019 to 2023 and it had scaled from USD 37,298 million in 2019 to USD 54,551 million in 2023. During the period from 2019 to 2023, the annual average compound rate of growth of total volume of trade was 7.41%.

A snapshot of Switzerland's overall Trade Statistics is presented in Table 2 and Figure 1 below.

A snapshot of India's merchandise trade statistics w.r.t. Switzerland is presented in Table 3 Figure 2

BILATERAL TRADE WITH INDIA

Merchandise Trade

7. India is Switzerland's 8th largest trading partner and Switzerland is 12th largest investor into India. The bilateral trade between India & Switzerland was US\$23 Billion approx during FY 2023-24, mostly in bullion. Switzerland ranked 46th as an export destination of India in FY 2023-24. India had exported to Switzerland almost 0.35% of its total export value in FY2023-24. In the same financial year imports from Switzerland was 3.14% of India's total import value. Switzerland was the 8th largest import partner of India in FY 2023-24. Almost 2.05% of India's total international trade value of goods was between India and Switzerland as has been recorded in DGCI&S data base for FY 2023-24.

8. Indo- Switzerland total volume of bilateral trade in FY 2019-20 was of the order of US\$ 18,099.97 million. It had scaled to US\$ 22,766.06 million in FY 2023-24. The annual compound growth rate of total volume comprising both exports and imports during the period from 2019-20 to 2023-24 had been of the order of 5.90%.

9. It is seen from the available figures that between 2019-20 and 2023-24, India has had a deficit Balance of Trade with Switzerland. Exports from India to Switzerland increased maximum by 13.28% in FY2023-24. The annual average compound rate of growth of Exports was 6.21% during the period under review. On the other hand, imports from Switzerland to India increased by 34.48% in FY 2023-24 just after the declined by 32.48% in 2022-23. During the period from 2019-20 to 2023-24, the annual average compound rate of growth of imports was positive at 5.88%.

10. Additionally, from Tables 4 & 5 presented below the following are stated:

a. (i) **Residual chemical And Allied Products** (ii) **Pearl, Precs Semi Precs Stones**, and (iii) **Gold** had occupied the top three slots in India's exports to Switzerland in FY 2023-24. **Residual chemical And Allied Products** had occupied the bulk 24.34% share of India's total exports to Switzerland in FY2023-24.

b. (i) **Gold** (ii) **Coal, Coke And Briquettes Etc.** and (iii) **Drugs Formulations, Biologicals** were the three major commodities in India's imports list from Switzerland in the year 2023-24, India had imported a significant amount of **Gold** from Switzerland with a share of 84.10% of total imports from Switzerland recorded in 2023-24.

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TABLE - 2
SWITZERLAND'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE
BETWEEN 2019 - 2023

(Figures in USD Million)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2019	313686		276388		5,90,074		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
2022	400057	5.34	356235	10.17	7,56,292	7.56	43822
2023	419923	4.97	365372	2.56	7,85,295	3.83	54551

Annual	Compound			
Growth Rate	7.56	7.23	7.41	

NOTE: Figures relate to calendar year (January to December)

SOURCE: UN COMTRADE PUBLICATION

Figure - 1

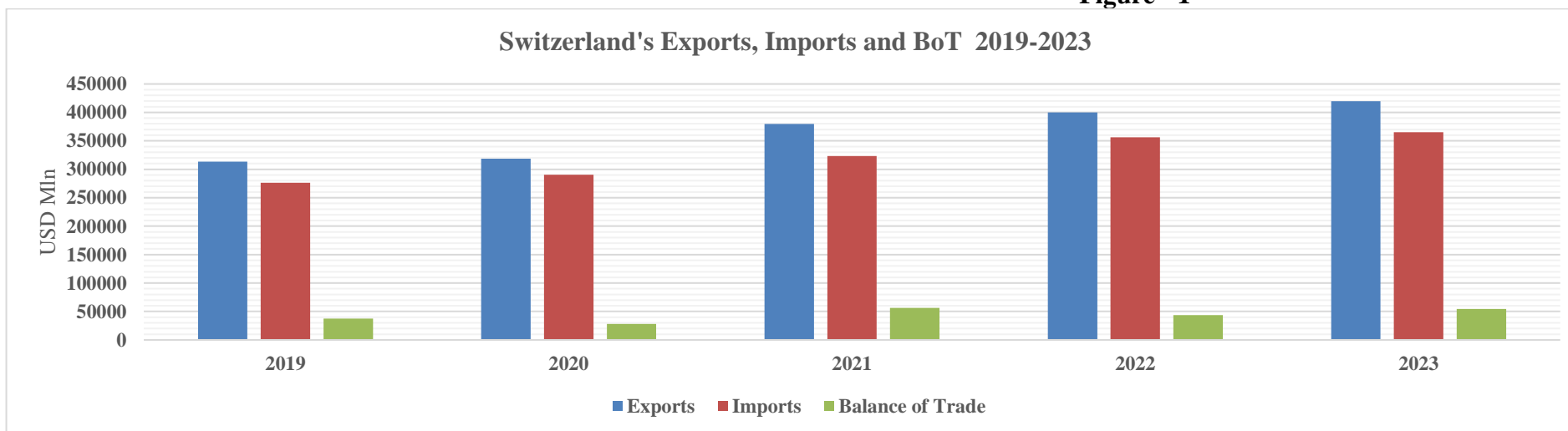


TABLE -4
INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO SWITZERLAND
2019-2020 TO 2023-2024 AND THEIR GROWTH RATES

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2019-20	2020-21	2021-22	2022-23	2023-24	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23
1	Residual chemical And Allied Products	268.69	298.67	275.09	290.70	371.63	11.16	-7.90	5.67	27.84
	Share in total export	22.39	23.67	20.39	21.57	24.34				
2	Pearl, Precs Semi Precs Stones	129.42	67.31	133.08	290.39	286.33	-47.99	97.71	118.21	-1.40
	Share in total export	10.78	5.33	9.86	21.54	18.75				
3	Gold	57.83	217.36	1.15	54.33	167.51	275.86	-99.47	4624.35	208.32
	Share in total export	4.82	17.23	0.09	4.03	10.97				
4	Organic Chemicals	189.42	167.69	190.78	143.59	103.32	-11.47	13.77	-24.74	-28.05
	Share in total export	15.78	13.29	14.14	10.65	6.77				
5	Bulk Drugs Drugs Intermediates	108.54	94.30	88.98	66.68	101.89	-13.12	-5.64	-25.06	52.80
	Share in total export	9.04	7.47	6.59	4.95	6.67				
6	Silver		0.02			48.29		-100.00		
	Share in total export		0.00			3.16				
7	Other Misc. Engineering Items	33.12	32.21	38.25	36.67	41.42	-2.75	18.75	-4.13	12.95
	Share in total export	2.76	2.55	2.83	2.72	2.71				
8	Other Misc. Chemicals	21.78	55.93	61.17	59.30	34.86	156.80	9.37	-3.06	-41.21
	Share in total export	1.81	4.43	4.53	4.40	2.28				
9	Gold And Oth. Precs. Metl. Jewellery	17.72	5.90	23.20	30.38	28.96	-66.70	293.22	30.95	-4.67
	Share in total export	1.48	0.47	1.72	2.25	1.90				
10	RMG Cotton Incl. Accessories	33.77	24.53	19.04	25.03	23.22	-27.36	-22.38	31.46	-7.23
	Share in total export	2.81	1.94	1.41	1.86	1.52				
	Total export to SWITZERLAND	1200.08	1261.81	1349.28	1348.00	1526.95	5.14	6.93	-0.09	13.28

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I

TABLE -5
INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORTS FROM SWITZERLAND
2019-2020 TO 2023-2024 AND THEIR GROWTH RATES

(Value in USD Million)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2019-20	2020-21	2021-22	2022-23	2023-24	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22	23-24 over 2022-23
1	Gold	14466.94	16275.52	20740.33	12642.44	17861.28	12.50	27.43	-39.04	41.28
	Share in total imports	85.60	89.27	88.66	80.05	84.10				
2	Coal, Coke And Briquettes Etc.	134.50	200.99	421.56	405.94	571.35	49.43	109.74	-3.71	40.75
	Share in total imports	0.80	1.10	1.80	2.57	2.69				
3	Drugs Formulations, Biologicals	309.69	335.74	391.04	379.67	325.19	8.41	16.47	-2.91	-14.35
	Share in total imports.	1.83	1.84	1.67	2.40	1.53				
4	Other Misc.Engineering Items	161.16	134.66	195.70	237.76	287.82	-16.44	45.33	21.49	21.05
	Share in total import	0.95	0.74	0.84	1.51	1.36				
5	Medical And Scientific Instruments	220.56	153.26	212.81	247.03	282.05	-30.51	38.86	16.08	14.18
	Share in total import	1.31	0.84	0.91	1.56	1.33				
6	Indl Machinery For Dairy Etc.	153.92	117.51	180.61	210.27	212.02	-23.66	53.70	16.42	0.83
	Share in total import	0.91	0.64	0.77	1.33	1.00				
7	Pearl, Precs Semi Precs Stones	42.51	30.94	190.99	157.19	207.72	-27.22	517.29	-17.70	32.15
	Share in total import	0.25	0.17	0.82	1.00	0.98				
8	Vegitable Oils	162.12	163.01	167.05	209.99	203.72	0.55	2.48	25.70	-2.99
	Share in total import	0.96	0.89	0.71	1.33	0.96				
9	Electric Machinery And Equipments	99.47	99.42	78.61	121.86	114.21	-0.05	-20.93	55.02	-6.28
	Share in total import	0.59	0.55	0.34	0.77	0.54				
10	Silver	174.56	9.52	107.99	178.86	103.73	-94.55	1034.35	65.63	-42.00
	Share in total import	1.03	0.05	0.46	1.13	0.49				
	Total import from SWITZERLAND	16899.89	18230.95	23392.32	15793.95	21239.11	7.88	28.31	-32.48	34.48

NOTE : Figures relate to each Financial Year (April to March)

SOURCE : DGCI&S, M/o C&I