

Position of scienceindustries on how to shape future trade relations with MERCOSUR: focus on improving market access and protection of intellectual property

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scienceindustries is the Swiss Business Association Chemistry Pharma Life Sciences. More than 250 companies within the chemical, pharmaceutical, life sciences and other science-based industries operating in Switzerland are members.

For the Swiss chemical and pharmaceutical industry, multilateral treaties, in particular within the framework of the WTO, are the most efficient instrument for mutual tariff dismantling, simplifying trade procedures and ensuring strong and uniform protection of intellectual property rights.

scienceindustries is aware of the current difficulties at multilateral and plurilateral level with regard to trade liberalization and establishment, and supports the efforts of the Swiss authorities to establish a network of free trade agreements (within the EFTA network or bilaterally).

Requirements of scienceindustries for the content of a regulation of future trade relations (free trade agreements and mutual recognition agreements)

A Free Trade Agreement (FTA) shall have the following content:

1. Market access Goods: Elimination of all tariffs for products covered by HS chapters 28 to 39.14. If immediate abolition of all tariffs is not possible, appropriate, short transition periods, i.e. max. 5 years shall be defined.
2. Intellectual property protection: All types of intellectual property instruments shall be included in the FTAs, i.e. Patents, Regulatory Data Protection (RDP), Trademarks, Confidential Business Information, Copyright, Designation of Origin (AOC)¹. Furthermore, it should be ensured that the importation of a patented product satisfies any working requirements (according to Art. 27.1 TRIPS).
3. Rules of Origin / Origin Verification: The design of rules of origin shall not restrict the scope for innovation and shall reflect current developments in production. The execution of the verification of origin remains reserved to the authorities of the exporting country.
4. Localization Request: Localization requirements for the production as a requirement for market access shall be prohibited.
5. Protectionism: The use of so-called trade defense measures (anti-dumping, punitive tariffs) shall be limited.
6. Public Procurement: All public procurement markets shall be open to the other party's service and service providers.
7. Dispute settlement mechanism: Within the Joint Committee, differences are to be discussed and resolved.

Further agreements:

8. Investment Protection Agreement: Should open all sectors of the economy to investment by companies and individuals of the other party.
9. Agreement on Mutual Recognition of Conformity Assessment (MRA): Mutual recognition agreements in the areas of GMP, GLP, GCP, GDP and chemical legislation should be sought.
10. Promoting sustainable development: Multilateral environmental agreements must be implemented.
11. Human rights: Compliance with human and social and environmental standards should be addressed in appropriate multilateral and plurilateral fora (e.g. ILO, UN Charter, OECD).

¹ Detailed demands are set out in the scienceindustries position paper "[Free Trade Agreements \(FTA\)- Objectives of scienceindustries](#)".