

GROUP OF TEN - SWITZERLAND

The Group of Ten is a caucus of the major industrial powers which operates within the International Monetary Fund. It has made important proposals to the Fund, for example, the creation of Special Drawing Rights (SDR's). The Swiss legislature has now approved a proposal that she join the Group, but not the IMF itself: Australian Financial Review 6 April 1984 at 11. The IMF's relationship to the UN as a specialized agency is no doubt the reason. For example, Article VI of the Agreement between the UN and the IMF requires the IMF to accept certain obligations in regard to the Security Council. Switzerland believes that by joining the UN she would compromise her neutrality.

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EUROPEAN FREE TRADE ZONE:

The advantages of establishment in Europe have been enhanced by the creation of a vast free trade zone between the EEC and EFTA which took effect, subject to some temporary exceptions, from 1 January 1984. This is a market of approximately 312 million which, given the per capita income of its members, is of considerable significance. With the expected accession of Spain the market will be further increased. The free trade zone is limited to industrial products. Safeguards have been introduced to stop the entry of goods into the free trade zone through the country with the lowest customs tariff.

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SWITZERLAND - BANKING REFORM:

A referendum will be held in Switzerland concerning the Government's proposals to revise the banking law. This is to take place on 20 May, 1984. The Bill to be presented at the referendum is expected to contain a provision preserving the law on bank secrecy in its present form.

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