

WORLD TRADE ORGANIZATION

RESTRICTED

S/WPGR/W/16/Add.5

22 December 2005

(05-6253)

Working Party on GATS Rules

Original: English

COMMUNICATION FROM SWITZERLAND

Response to the Questions Relevant to the Information Exchange Required
Under the Subsidies Negotiating Mandate

Addendum

The following communication, dated 20 December 2005, from the delegation of Switzerland is being circulated to the Members of the Working Party on GATS Rules.

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I. INTRODUCTION

1. The following answers to the questions on subsidies in the services sector are based on the broad definition of subsidies contained in Article 1 of the Agreement on Subsidies and Countervailing Measures.

2. The response covers all major subsidies related to services granted by the Swiss federal government. It however does not include subsidies granted to the cantons or to the communities.

3. In addition, subsidies in several service sectors are not included in this response. A short description and reasons for exclusion of these subsidies is given at the beginning under "sectors which have not been considered in the answers to the questionnaire". Finally, services sectors that receive no (major) subsidies are listed explicitly at the beginning in order to give a broader picture of the subsidies situation in Switzerland.

4. The subsidies programmes are listed according to the services sectoral classification list (MTN.GNS/W/120). Subsidies that cover several sectors are listed in the section entitled "horizontal measures".

5. The major sources for the following answer to the questions on subsidies were:

- Federal Subsidies. Preliminary estimate 2006.¹
- Database: Federal Subsidies.²
- Report of the federal council on the examination of the federal subsidies, first part, June 25th 1997.
- Report of the federal council on the examination of the federal subsidies, second part, April 14th 1999.³
- Systematic Collection of Federal Law (SR).⁴

6. This response is submitted without prejudice to Switzerland's future negotiating position in the WTO.

A. SECTORS WHICH HAVE NOT BEEN CONSIDERED IN THE ANSWERS TO THE QUESTIONNAIRE

7. Subsidies related to the following sectors are not considered in the answer for the reasons mentioned:

- Educational services: Communities and cantons run most schools; universities are run by the cantons, with the exception of the Federal Polytechnic High Schools which are funded by the Federal Government.
- Environmental services: Most federal subsidies in this service section are granted to cantons and communes and are therefore not included in the response.

¹ Source: http://www.efv.admin.ch/d/finanzen/bundfina/pdf_v_06/Bundessubventionen_V2006.pdf

² Source: <http://www.efv.admin.ch/d/finanzen/subven/index>

³ Source: <http://www.efv.admin.ch/d/finanzen/subven/pdf/an1rap2d.pdf>

⁴ Source: <http://www.admin.ch/ch/d/sr/sr.html>

- Health related and social services: State funding in the health sector is very common in Switzerland, especially at cantonal level. Subsidies may take the form of direct support to private households (social aid) or of support of hospitals as university clinics. Most (but not all) hospitals are run by the state, but numerous private clinics exist too.

B. SECTORS IN WHICH NO (MAJOR) SUBSIDIES ARE GRANTED:

8. In the following sectors no (major) subsidies are being granted in Switzerland:

- Business services: professional services, computer and related services, real estate services, rental/leasing services, other business services
- Communication services: telecommunication services
- Construction and related engineering services
- Distribution services
- Financial Services
- Transport services: maritime transport services, internal waterways transport, air transport services, road transport services, services auxiliary to all modes of transport

C. PARTLY NOT ANSWERED QUESTIONS AND ANSWERS TO QUESTIONS OF A GENERAL NATURE

9. For each subsidy programme the questions 1, 2, 4, 6, 7, 8 and 10 have been answered. The part of questions 5 concerning the eligible sectors is unaccounted for, since in this response the various subsidy programmes are already structured by sectors. Concerning question 10 b): there is no statistical data available on the impact of subsidies on trade in services. In addition, most subsidies described in this response have no trade distortive effects. Therefore, question 10 b) is only answered in cases where trade distortive effects might occur.

10. Questions 3 and 9 are of a general nature and can be answered as follows:

3. Please indicate the availability, in the case of your country, of information necessary to distinguish subsidies from services from subsidies to goods, e.g. when a company produces both goods and services

In Switzerland, information to distinguish subsidies for services from subsidies for goods is not available. If a company that receives subsidies produces goods and services, the subsidy is accorded in a general manner; no distinction between goods and services is made except where a subsidy is accorded to a certain service sector.

9. Please indicate any subsidy disciplines already assumed in the context of regional agreements.

Subsidy disciplines are assumed in the context of free trade agreements of Switzerland with the European Union and within the EFTA.

II. HORIZONTAL MEASURES

A. INVESTMENT PROMOTION AND GUARANTEES FOR MOUNTAINOUS REGIONS (INCLUDING IMPLEMENTATION MEASURES)

1. *Please identify any subsidy programmes related to trade in services, with a brief description of each programme.*

The federal government grants investment assistance for infrastructure projects and the acquisition of land for industrial or commercial purposes.

2. *Please state the policy objectives underlying the use of each subsidy.*

- improvement of the living conditions in mountainous regions.
- improvement of the conditions for economical development and of the competitive position of the mountainous areas.
- sustainment of peripheral settlements and the socio-cultural diversity.
- sustainable development of the mountainous areas.
- equalization of the living conditions of economically weak and economically strong areas.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

The investment assistance consists of loans or at most direct transfer (contributions to interest payments).

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Regions, communities, private and public corporations.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

Financial assistance is only granted to the recipients mentioned in answer 5). The recipients must be located in mountainous regions. Financial assistance might be also subject to further obligations.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

On a fixed basis.

8. *Please specify any time limits attached to the subsidies described above.*

There are no specific time limits.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted;*

- **Investment aid:** for 2004: 44,7 million CHF; no data available for 2006.
- **Guarantees:** for 2004: 2,5 million CHF; preliminary estimate for 2006: 2,8 million CHF.

- **Implementation measures:** for 2004: 7 million CHF; preliminary estimate for 2006: 7 million CHF.

B. GOVERNMENT AID FOR ECONOMICALLY ENDANGERED REGIONS

1. ***Brief description of the programme***

This program strengthens economically endangered regions by means of tax concessions, debt guarantees or contribution to interest charges

2. ***Please state the policy objectives underlying the use of each subsidy***

General interest in a good economical and employment situation.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Financial assistance (tax concessions, debt guarantees, contribution to interest charges).

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Private institutions : SMEs.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

Financial assistance might be granted for innovative projects of industrial enterprises or service enterprises if:

- new jobs are created or,
- existing jobs can be saved in the long run.

Interplant financial assistance can be granted for existing or new institutions and projects of the private and the public sector if:

- initiatives of enterprises are supported that promote the development and integration of entrepreneurial and technical competences;
- these are of value for several enterprises in the concerned economically endangered region;
- if an additional sustainable impulse for the economical development in the region will be generated.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

For investment credits the federal government may vouch or grant contributions for interest charges for up to one third of the total cost of the project.

8. ***Please specify any time limits attached to the subsidies described above***

The measure was planned to be limited. But so far, the measure has been extended by the parliament several times.

10. ***Where such information is available, Members may wish to indicate:***

a) ***Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted***

For 2004: 6,3 million CHF. Preliminary estimate for 2006: 9 million CHF.

C. INTERREG III

1. ***Brief description of the programme***

The federal government promotes cross-frontier cooperation between cantons and regions in the line with the initiative of the European Community "INTERREG III" and by means of financial assistance.

The federal government grants financial assistance for flanking measures, notably for the technical support of programmes and projects.

2. ***Please state the policy objectives underlying the use of each subsidy.***

- Strengthening of the competitiveness and economic power of the participating regions,
- to create new jobs,
- promotion of communication and exchange of experience across the borders,
- strengthening of the regions and the federal structures.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Direct transfer of funds (financial assistance)

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

SMEs, private organizations.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

If the beneficiary receives other federal subsidies that constitute more than 50% of the real costs of the Swiss share, no financial assistance will be granted.

There has to be a request of the Swiss body responsible for the project.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

Recipients of subsidies have to make a personal contribution of at least 10 % of the Swiss share of the project.

8. ***Please specify any time limits attached to the subsidies described above***

The programme INTERREG III runs from 2000 to 2006. The subsidies are granted in line with the allotted budget.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 5,9 million CHF. Preliminary estimate for 2006: 5,9 million CHF.

III. SECTORAL MEASURES

1. Business Services

A. RESEARCH AND DEVELOPMENT SERVICES

(a) Contribution to the infrastructure of cancer research in Switzerland

1. *Brief description of the programme*

Contribution to the infrastructure of cancer research institutes in Switzerland.

2. *Please state the policy objectives underlying the use of each subsidy*

Support of the experimental and applied cancer research.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Direct transfer of funds (financial assistance).

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Eligible for this subsidy are the Swiss institute for experimental cancer research and the institute for applied cancer research. Further contributions go to the Swiss Cancer League.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

In order to receive financial assistance, the organizations have to submit a request, which includes a description of the activities, the planned activities, the budget and the reasons for the organizational legal entity.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

The contribution has to be in an adequate relation to the interest of the federal government, to the personal contributions of the institution and the contributions of other interested communities, institutions and enterprises.

The contributions should not be higher than 50% of the operating expenses of the institutes.

8. *Please specify any time limits attached to the subsidies described above*

The financial assistance is granted for a period of four years. After that, a new request has to be submitted.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*

For 2004: 4.95 million CHF. Preliminary estimate for 2006: 5,1 million CHF.

(b) Swiss National Fund

1. *Brief description of the programme*

The association "Swiss National Fund" (Schweizerischer Nationalfonds) is the most important institution in Switzerland for the promotion of research. It promotes all scientific disciplines. The federal government may mandate the Swiss National Fund to conduct national research programmes.

2. ***Please state the policy objectives underlying the use of each subsidy***
To strengthen the position of Switzerland in research key areas. Promotion of the interdisciplinary cooperation.
4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***
Financial compensation.
5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***
The Swiss National Fund.
With the contribution to the Swiss National Fund about 3'000 scientific projects and 7'000 scientist are supported per year.
6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***
The first beneficiary is just the Swiss National Fund. It is possible for all scientists active in Switzerland to apply for a grant of the Swiss National Fund. Nationality is no criteria in order to receive grants from the Swiss National Fund. Criteria can be for example age, scientific qualification and research experience.
7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***
-
8. ***Please specify any time limits attached to the subsidies described above***
No specific time limit.
10. ***Where such information is available, Members may wish to indicate:***
 - a) ***Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted***
2004: 359 million CHF. Preliminary estimate for 2006: 435 million CHF.
 - (c) Swiss Academies for Natural Sciences / Humanities / Medical Sciences / Technical Sciences
 1. ***Brief description of the programme***
The four academies (mentioned under point 5) are recognized by the federal government for the promotion of research. Their main tasks are the promotion of cooperation among scientists, cooperation with national and international institutions, the realization of studies and long-term projects and the elaboration of scientific development prospects.
 2. ***Please state the policy objectives underlying the use of each subsidy***
To promote scientific research and the analysis of the results.
 4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***
Direct transfer of funds (financial assistance).
 5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***
The following private institutions: Swiss Academy for Natural Sciences, Swiss Academy for Humanities, Swiss Academy for Medical Sciences, Swiss Academy for Technical Sciences.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

The federal government has to approve the bylaws of the academies.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

The federal government is responsible for up to 90% of academies' financing.

8. ***Please specify any time limits attached to the subsidies described above***

The parliament approves the amount of financial assistance for a period of four years. Then, a new approval is necessary.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: -

- Swiss Academy for Natural Sciences: 5,4 million CHF
- Swiss Academy for Humanities: 6,2 million CHF
- Swiss Academy for Medical Sciences: 1,5 million CHF
- Swiss Academy for Technical Sciences: 1,4 million CHF

Preliminary estimate for 2006 (for all academies together): 23,5 million CHF

- (d) Contribution to research on animal diseases

1. ***Brief description of the programme***

With this subsidy research projects on animal diseases and animal welfare are supported.

2. ***Please state the policy objectives underlying the use of each subsidy***

By means of this programme, scientific research shall be obtained in order to have a basis for new laws, regulations and an active contribution to the reduction of animal experiments.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Financial assistance.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

The research institution "3R" and the faculties of veterinary medicine in Bern and Zurich.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

Especially methods that can do without animal experiments or that only make reduces use of animal experiments are supported.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

-

8. *Please specify any time limits attached to the subsidies described above*
Annual credit.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*
0,524 million CHF for 2004. Preliminary estimate for 2006: 0,534 million CHF.

2. **Communication Services**

A. AUDIOVISUAL SERVICES

(a) Public film funding; promotion of film culture and formation and further education for film professions

1. *Brief description of the programme*

Promotion of Swiss films. This is possible in different ways:

- through selective film funding;
- through performance-related film funding and
- through the Swiss Film Award.

2. *Please state the policy objectives underlying the use of each subsidy.*

The promotion of Swiss films is in the public interest. The aims of this subsidy are:

- the promotion of the quality and diversity of films
- the spreading of film culture and the deepening of the understanding of films
- the promotion of Film festivals that contribute significantly to the national and international film culture
- the indexing and restoration of films
- the cooperation of the different sectors of the branch of trade
- international cooperation in the area of film
- the promotion of the formation and further education of film professionals

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Financial assistance in form of non refundable payments, interest grants, guarantees and conditional refundable loans.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Private institutions

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

Eligible for subsidies under this programme are the project development for and the production of Swiss films or of films co-produced by Switzerland and foreign countries.

A "Swiss film" is a film that is produced significantly by a person of Swiss nationality or Swiss residency; or that is produced by an enterprise with business location Switzerland, whose equities and borrowed capital is, by the majority, in the hand of persons with Swiss residency and whose executive board consists, by the majority, of people with Swiss residency and, as far as possible, that is produced by technical collaborators of Swiss nationality or residency and by technical companies in Switzerland.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

The Federal Office for Culture allocates the available funds each year to the different areas of film promotion (i.e. selective film funding, performance-related film funding, Swiss Film Award). The concept of promotion is taken in account and the federal office sets up a maximum amount of contributions for a single project.

The performance-related film funding is based on the success Swiss film have in the cinemas. The financial assistance is calculated on the basis of the tickets sold.

8. *Please specify any time limits attached to the subsidies described above.*

Annual credit.

10. *Where such information is available, Members may wish to indicate:*

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted;

Film funding:

For 2004: 22,4. million. Preliminary estimate for 2006: 23.4 million CHF.

Film culture:

For 2004: 4,2 million CHF. Preliminary estimate for 2005: 4,7 million CHF.

Formation and further education of film professionals:

For 2004: 2,5 million CHF. Preliminary estimate for 2006: 2,3 million CHF.

(b) Radio and television services

1. *Brief description of the programme*

The national radio and television company SRG receives the largest part of the television license fees. Exceptionally, local or regional radio and television operators are also given some of the revenues.

2. *Please state the policy objectives underlying the use of each subsidy.*

To support the cultural offer of the country and its population.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Mandatory fees.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises that are eligible under the subsidy.*

The national radio and television company (SRG) and to a small extent local or regional radio and television operators.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

In order to broadcast radio or television programmes in Switzerland, a concession is necessary.

In order to receive a grant for broadcasting local radio and television programme, the applicant has to have its residency in the broadcasting area and the share of in-house production has to be adequate to the air time and the situation of the broadcasting area.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***
On a fixed basis
8. ***Please specify any time limits attached to the subsidies described above.***
No time limits
10. ***Where such information is available, Members may wish to indicate:***
 - a) ***Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted;***
For 2003: Approximately 1100 million CHF of mandatory fees.

3. Tourism and Travel Related Services

A. "SWISS TOURISM"

1. *Brief description of the programme*

"Swiss Tourism" (ST) is a public corporation with worldwide activities in favor of Switzerland. It promotes the holiday destination Switzerland abroad. The financial contribution of the federal government makes up 2/3 of the total budget of the corporation.

2. *Please state the policy objectives underlying the use of each subsidy*

The promotion of the holiday destination Switzerland is in the public interest of Switzerland, since tourism is an important sector of the economy.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Direct transfer of funds (financial assistance).

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Only the public cooperation "Swiss Tourism".

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

There is a service level agreement between "Swiss Tourism" and the Swiss Confederation.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

Lump sum payment on the basis of the height of the allotted federal budget.

8. *Please specify any time limits attached to the subsidies described above*

Credit approved by the Parliament for the period 2005 – 2009. Hereafter a new approval will be necessary.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*

For 2004: 40,4 million CHF. Preliminary estimate for 2006: 46 million CHF

B. DOCUMENTATION AND ADVISORY CENTER OF THE SWISS TOURIST ASSOCIATION

1. *Brief description of each programme*

Financial assistance for the documentation and advisory center of the tourist association.

2. *Please state the policy objectives underlying the use of each subsidy*

The information and documentation services provided by the center play a rather important role in the implementation of the federal tourism policy. Especially small touristic places profit from the service provided by the documentation and advisory center.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Financial assistance.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

The documentation and information center of the Swiss Tourist Association

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

None.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

Fixed annual financial assistance.

8. *Please specify any time limits attached to the subsidies described above*

Annual credit.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*

For 2004: 0,1 million CHF. Preliminary estimate for 2006: 0,1 million CHF

C. PROMOTION OF INNOVATION AND COOPERATION IN THE AREA OF TOURISM

1. *Brief description of the programme*

Promotion of the innovation in the area of the introduction of new products, services and channels of distribution, promotion of quality.

2. *Please state the policy objectives underlying the use of each subsidy*

To promote innovation and cooperation in tourism.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Direct transfer of funds (financial assistance).

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Various private institutions.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

Projects will only be supported when:

- they strengthen the Swiss competitiveness in the area of tourism,
- when they promote the development of tourism in a way that is consistent with nature, human beings, environment and ensure employment opportunities; and
- have a model character or activate considerable impulses for touristy innovation in a region.

In addition, the project has to be implemented in an interplant manner.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

50% of the total cost of the project can be granted. For projects in context with R&D all cost can be granted.

8. *Please specify any time limits attached to the subsidies described above*

No specific time limits.

10. *Where such information is available, Members may wish to indicate:*

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 8,8 million CHF. Preliminary estimate for 2006: 6,9 million CHF.

4. Recreational, cultural and sporting services

A. LIBRARIES, ARCHIVES, MUSEUMS AND OTHER CULTURAL SERVICES

(a) Pro Helvetia

1. *Brief description of the programme*

The federal government finances the operation of the foundation "Pro Helvetia" since its establishment of this foundation. The foundation Pro Helvetia has an important coordination and promotion function.

2. *Please state the policy objectives underlying the use of each subsidy*

Promotion of cultural production in Switzerland, promotion of cultural presence of Switzerland abroad, support of the peripheral regions and disadvantaged population groups, preservation of culture and folk culture. The foundation fulfills tasks that are part of the public agenda.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Financial assistance.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

As first recipient only the foundation "Pro Helvetia". As second recipients: private institutions.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

No.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

-

8. ***Please specify any time limits attached to the subsidies described above***

No specific time limits. The amount of financial aid is always calculated for a period of four years; afterwards a new federal resolution is necessary.

10. ***Where such information is available, Members may wish to indicate:***

- a) ***Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted***

2004: 34,7 million CHF. Preliminary estimate for 2006: 33,1 million CHF.

- (b) Support of cultural organizations

1. ***Brief description of the programme***

Under this programme, cultural organizations, cultural active layman and umbrella organizations of such organizations are supported.

2. ***Please state the policy objectives underlying the use of each subsidy***

Promotion of the activities of persons engaged in the cultural sector; securing the cultural services of cultural organizations

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Annual financial assistance.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Private institutions.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

The supported organizations (or private persons) have to operate in whole Switzerland (i.e. activities in at least two language areas)

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

The subsidy is calculated according to kind and importance of the cultural activities, structure and size of the organization, reasonable personal contribution of the organization and the ratio between the resources available and the number of applicants. The contributions shouldn't be higher than twice the amount of the personal contributions and the contributions of third persons the organizations receive.

8. ***Please specify any time limits attached to the subsidies described above***

Limited to one year, hereafter a new request has to be submitted

10. ***Where such information is available, Members may wish to indicate:***

- a) ***Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted***

2004: 3,8 million CHF. Preliminary estimate for 2006: 3,3 million CHF.

(c) “Bibliomedia”

1. *Brief description of the programme*

The federal government supports the foundation “Bibliomedia” since 1921. The activities of “Bibliomedia” includes:

- the supplementation and renewal of the choice of books and other media in public libraries
- jump starts for the establishment of local and regional libraries
- counseling in matters concerning the libraries
- organization of reading promotion activities
- establishment of internet working places in local and regional libraries, internet training for librarians.

2. *Please state the policy objectives underlying the use of each subsidy*

Bibliomedia fulfills a function of national importance for the public libraries and schools in Switzerland. These activities are in the interest of the federal government. The activities of Bibliomedia help to guarantee a vivid network of libraries in all regions of Switzerland. The financial aid of the federal government is an essential contribution to the cooperation and coherence of the libraries. Due to “Bibliomedia” also small libraries are able to offer their readers an updated card index and attractive and modern services.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Financial assistance.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Only the foundation “Bibliomedia”

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

None

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

-

8. *Please specify any time limits attached to the subsidies described above*

No specific time limit. The parliament decides on the financial aid for a certain period of time.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*

For 2004: 2 million CHF. Preliminary estimate for 2006: 1,5 million CHF

(d) “Landesphonotheek”

1. Brief description of the programme

The federal government grants financial assistance to the association “Landesphonotheek” since 1990. The association also receives contributions by the canton of Tessin and the community of Lugano (canton and community of the association’s domicile).

2. Please state the policy objectives underlying the use of each subsidy

Indexing and archiving of national sound storage mediums.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Financial assistance.

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Only the Swiss association “Landesphonotheek”.

6. Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).

None.

7. Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).

Lump sum payment on the basis of the height of the allotted federal budget.

8. Please specify any time limits attached to the subsidies described above

No time limit.

10. Where such information is available, Members may wish to indicate:

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

2004: 0,99 million CHF, preliminary estimate for 2006: no data available.

(e) “Memoriav”

1. Brief description of the programme

The federal government supports the indexing of audiovisual objects of cultural value with an annual contribution to the costs of “Memoriav” (Association for the preservation of audiovisual objects of cultural value).

2. Please state the policy objectives underlying the use of each subsidy

Conservation, indexing and procurement of audiovisual documents in Switzerland. Memoriav fulfills a task of national importance in the interest of the federal government.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Direct transfer of funds (financial assistance).

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Only the association “Memoriav”.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

None

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

The budget of Memoriav consists 85% of federal grants.

8. ***Please specify any time limits attached to the subsidies described above***

No specific time limit. The parliament decides on the financial aid for a period of four years.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 1,3 million CHF. Preliminary estimate for 2006: 2,9 million CHF.

- (f) Museum of Transport (“Verkehrshaus”)

1. ***Brief description of the programme***

Since the mid-1990s, the Museum of Transport suffers from financial problems. This is the reason why the federal government supports the Museum of Transport with an annual financial assistance since 1999.

2. ***Please state the policy objectives underlying the use of each subsidy***

To ensure the operation of the Museum. The Museum fulfills as a center for information and discussion for questions of mobility a task of public interest.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Financial assistance.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Only the Museum of Transport in Lucerne.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

The city of Lucerne, the canton Lucerne and the other central Swiss cantons (Uri, Schwyz, Obwalden, Nidwalden and Zug) have to make themselves an adequate financial contribution to the funding of the Museum of Transport in Lucerne.

There is a service level agreement between the Museum of Transport and the federal government.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

On a fixed bases in line with the allotted budget.

8. ***Please specify any time limits attached to the subsidies described above***

The parliament has decided to grant financial aid for the period of 2004 - 2007. Afterwards a new approval is necessary.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 1,58 million CHF. Preliminary estimate for 2006: 1,6 million CHF.

(g) Promotion of literature for young people and children

1. Brief description of the programme

The federal government supports organizations that make a significant contribution to reading promotion. This because the reading and language culture is more and more endangered by the increase of electronic media.

2. Please state the policy objectives underlying the use of each subsidy

Promotion of language and reading culture among children and young people.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Annual financial assistance.

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Five organizations that promote literature for young people and children (i.e. Schweizerisches Jugendschriftwerk, Schweizerisches Jugendbuchinstitut, Bund für Jugendliteratur, Schweizerischer Bibliotheksdienst, Livres sans frontières-suisse).

6. Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).

None

7. Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).

According to the performance of each organization.

8. Please specify any time limits attached to the subsidies described above

Annual credit.

10. Where such information is available, Members may wish to indicate:

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 0,963 million CHF. Preliminary estimate for 2006: 0,97 million CHF.

B. SPORTING AND OTHER RECREATIONAL SERVICES

(a) Promotion of gymnastics and sports organizations

1. Brief description of the programme

Promotion of professional formation of professional and popular sport teachers and support of the sports scientific research (doping)

2. Please state the policy objectives underlying the use of each subsidy

Promotion of sports and gymnastics.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Direct transfer of funds (financial assistance).

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Private institutions: gymnastics and sport organizations.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

-

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

The final confirmation of the contribution takes place at the beginning of the year on the basis of the allotted budget and the applications. There are several other criteria that have an influence on the height of the financial support: For example the number of members, number of associations, personal contributions, and the importance of competitive sporting events. An order of priority is used in the sense of that sports organizations with less than 2`500 members receive a fixed amount financial aid.

8. ***Please specify any time limits attached to the subsidies described above***

Annual credit.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 5,5 million CHF. Preliminary estimate for 2005: 5,7 million CH

- (b) Promotion of international sport events

1. Brief description of the programme

Based on a decision of the federal council, the federal government is committed to guarantee to a certain extent for deficits that might arise in the context of the organization of European or World Championships.

2. Please state the policy objectives underlying the use of each subsidy

Promotion of international sport events in Switzerland, with the aim to strengthen the reputation of Switzerland abroad, promotion of the professional sport

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Guarantee for a limited coverage of a possible deficit

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Private Institutions: Organizers of World or European Championships or similar international sport events.

6. Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).

The support for international sport events is based on a discretionary clause. There is no legal claim for contributions.

7. Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).

-

8. Please specify any time limits attached to the subsidies described above

Annual credit.

10. Where such information is available, Members may wish to indicate:

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 0,49 million CHF. Preliminary estimate for 2006: 0,5 million CHF.

(c) Construction of sport facilities

1. Brief description of the programme

Several sport facilities in Switzerland did not (do not) satisfy today's requirements. Many stadiums were (are) out of date and had (have) to be renewed. As a consequence of those short-comings international sport events are less likely to take place in Switzerland if there is no investment into new or renewed sport facilities.

2. Please state the policy objectives underlying the use of each subsidy

Support of the construction of sport facilities of national importance.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Financial assistance.

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Sponsorship of sport facilities.

6. Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).

The operation, the funding and use of the facilities have to be guaranteed in the long run. The prioritization of the project that fulfill the eligibility criteria is made according to importance of the project and the sport concerned, the share of us for national activities and the intermediate inputs and funding by the sponsorship.

7. Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).

The height of federal financial assistance is 15 to 45 % of the allowable costs.

8. Please specify any time limits attached to the subsidies described above

Credit duration of four years.

10. Where such information is available, Members may wish to indicate:

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 7,2 million CHF. Preliminary estimate for 2006: 0,1 million CHF.

(d) Extracurricular youth work

1. Brief description of the programme

Youth organizations and sponsorship for extracurricular youth work receive financial support for the formation of young people in the function of a leader or a tutor, or the organization of national and international events as well as national and international youth exchange projects.

2. Please state the policy objectives underlying the use of each subsidy

There is a public interest in a healthy, critical, active, social and cultural active youth.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Direct transfer of funds (financial assistance): Annual lump sum payment for youth organizations, contribution for the formation of young people in the function of a leader or a tutor and project-orientated financial assistance. There are also other forms of subsidies possible like the lending of material, transport activities or the free delivery of federal print products.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

About 130 youth organizations and sponsorship of extracurricular youth work.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

The sponsorship has to be assumed by associations, organizations or groups that are principally active in extracurricular youth work and groups and have no aspiration for profit.

Additional eligibility criteria for support of projects:

- the project has to be realized in the area of extracurricular youth work
- the project cannot be profit-orientated.
- the supported project has to be realized with the active support of young people (establishment, preparation, realization and continuation of the project)
- the supported project has to have a “national focus” (e.g. covers more than one canton or language region), especially regarding the participation of the young people
- the project has to be an extraordinary activity.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

The financial aid is calculated according to:

- the structure and the size of the sponsorship
- the type and the importance of the activity or the project
- the services on own account and the contribution of third parties

The financial aid is not higher than 50 % of the allowable costs.

8. ***Please specify any time limits attached to the subsidies described above***

Annual credit.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 6,6 million CHF. No preliminary estimate available for 2006.

(e) Foot paths and hiking trails

1. Brief description of the programme

The federal government supports private organizations for their work concerning footpaths and hiking trails. That is for planning, creation and maintenance of the footpaths and hiking trails in Switzerland.

2. Please state the policy objectives underlying the use of each subsidy

Health, quality of life, promotion of tourism, protection of the quality and the area coverage of the footpath and hiking trail net.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Direct transfer of funds (financial assistance).

5. Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.

Two specialized organizations, the ARF (the Swiss consortium for "Rights for Pedestrians") and the SAW (the Swiss Consortium for hiking tracks / Swiss hiking tracks) receive a fixed amount of financial aid.

6. Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).

Eligible are only the above mentioned specialized private institutions.

7. Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).

Fixed basis

8. Please specify any time limits attached to the subsidies described above

None

10. Where such information is available, Members may wish to indicate:

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

For 2004: 1,5 million CHF. Preliminary estimate for 2006: 2,3 million CHF.

5. Transport Services

A. TRANSPORT SERVICES BY RAILWAY

(a) Compensation of the combined traffic

1. Brief description of the programme

Co-financing of the equipment, container and vehicles for the combined traffic in Switzerland.

2. Please state the policy objectives underlying the use of each subsidy

Promotion of the combined traffic.

4. Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)

Compensation.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

The Swiss Federal Railways (state owned company) and other transport companies with a concession.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

Concession.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

According to environmental and traffic policy aims and the degree of profitability of the company. If the latter can't be calculated then the subsidies are granted according to the costs and the estimated transport volume. Subsidies below 30'000 francs won't be disbursed.

8. ***Please specify any time limits attached to the subsidies described above***

Annual credit.

10. ***Where such information is available, Members may wish to indicate:***

- a) ***Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted***

For 2004: 203 million CHF. Preliminary estimate for 2006: 220 million CHF.

- (b) Investment in combined traffic

1. ***Brief description of the programme***

With this subsidy, the building of terminals for the combined traffic in Switzerland and abroad is supported.

2. ***Please state the policy objectives underlying the use of each subsidy***

Promotion of the combined traffic. The federal government has a temporally limited interest in the building of terminals for the combined traffic. Like this, the through traffic will be brought on the tracks and the Swiss transit roads will be disburdened.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Financial assistance (loan, non refundable payments)

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Private institutions (enterprises).

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

-

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

Up to 100% of the allowable costs.

8. ***Please specify any time limits attached to the subsidies described above.***

Annual credit.

10. *Where such information is available, Members may wish to indicate:*
a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted;*
For 2004: 49,1 million CHF. Preliminary estimate for 2006: 40 million CHF.

(c) Technical upgrades and changeover of the operation

1. *Brief description of the programme*

Contribution to the investment of transport companies with a concession.

2. *Please state the policy objectives underlying the use of each subsidy*

Improvement of the economic efficiency, capacity and the reliability of the transport companies. Renewal and change of existing equipment. Contribution to changeovers of an operation by railway to an operation by bus.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Financial assistance in form of a loan, non refundable payments or participation.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Transport companies with a concession.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

As a general rule, the federal government makes only a contribution if the canton(s) contribute(s) too.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

The federal contributions make up 5 to 50 % of the unfunded costs.

8. *Please specify any time limits attached to the subsidies described above.*

No time limit is intended.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted;*

For 2004: 159,1 million CHF. Preliminary estimate for 2006: 168,2 million CHF.

(d) Connection tracks

1. *Brief description of the programme*

Contribution to the construction of connecting tracks.

2. *Please state the policy objectives underlying the use of each subsidy*

Promotion of the construction of connection tracks in order to dislocate the freight transport from the roads to the tracks.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Direct transfer of funds (financial assistance).

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Enterprises (owner of the connecting tracks).

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

Financial aid can only be granted when the following volume of freight is turned over per year:

- 7'500 tons or 450 cars for connection to stations with a annual turnover of freight of at least 20`000 tons; or
- 12 000 tons or 720 cars for station who have a annual turnover of less than 20 000 tons as well as for exceptionally approved connection in an open track.

No subsidies are granted for the maintenance of the tracks.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

For "regular tracks" the subsidies are no higher than 50 to 60 % of the allowable costs. For "connecting" and "lading tracks" the subsidies are no higher than 40 to 50 %, in exceptional case 60 % of the allowable costs.

Determination criteria for the rate of contribution are:

- for "regular tracks": the assumed number of "connectors";
- for "connecting" and "lading tracks" the estimated annual transport volume or the estimated number of wagon loads; and
- the height of allowable costs.

8. ***Please specify any time limits attached to the subsidies described above***

Annual credit.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

2004: 17,1 million CHF. Preliminary estimate for 2006: 22 million CHF.

- (e) Transport of accompanied motor vehicles

1. ***Brief description of the programme***

The programme is financed by an earmarked tax on mineral oil. This subsidy has been reduced significantly during the last ten years.

2. ***Please state the policy objectives underlying the use of each subsidy***

Price reduction of the transport of accompanied motor vehicles, if reasonable for environmental and traffic policy objectives.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Financial assistance.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Transport companies. The subsidy programme concerns the transport of accompanied motor vehicles through the Lötschberg, the Furka, the Oberalp and the Albula.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

The assistance is granted according to the factual and time urgency.

7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***

Contribution for each transported car.

8. ***Please specify any time limits attached to the subsidies described above***

Annual credit.

10. ***Where such information is available, Members may wish to indicate:***

a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted

3,2 million CHF for 2004. Preliminary estimate for 2006: 3,4 million CHF.

- (f) Compensation for the regional transport

1. ***Brief description of the programme***

Compensation for the regional transport.

2. ***Please state the policy objectives underlying the use of each subsidy***

Compensation of the unfunded budget cost of the regional transport.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***

Compensation. The compensation is on one side financed by the federal government, on the other side by the cantons.

5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***

Swiss Federal Railways and transport companies with concession.

6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***

Transport companies are eligible to compensation

- if they construct or maintain a railway infrastructure according to the law or if they maintain or construct another infrastructure that serves the regular passenger transportation or
- if they transport persons by means of line operation on basis of a concession, an authorization or a treaty;
- if they transport goods on Swiss railway tracks that are subject to law or by aerial passenger line

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

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8. *Please specify any time limits attached to the subsidies described above*

The federal council decides on the contribution for the regional transport four years in advance in line with the estimate of cost and the fiscal planning.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*

For 2004: 1'196 million CHF. Preliminary estimate for 2006: 1'304 million CHF.

(g) Price reduction for the wagonload traffic's lines

1. *Brief description of the programme*

Contribution to the infrastructure of the wagonload traffic.

2. *Please state the policy objectives underlying the use of each subsidy*

Promotion of the freight transport by railway by means of price reduction for the wagonload traffic in order to maintain the competitiveness of the railway transport. This is necessary because of the authorized increase of the weight that camns are allowed to transport.

4. *Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)*

Financial assistance.

5. *Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.*

Transport companies.

6. *Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).*

None.

7. *Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).*

-

8. *Please specify any time limits attached to the subsidies described above*

Limited to the period from 2000 to 2010.

10. *Where such information is available, Members may wish to indicate:*

a) *Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted*

For 2004: 66,3 million CHF. Preliminary estimate for 2006: 20 million CHF

(h) Infrastructure investment of the Swiss Federal Railways

1. *Brief description of the programme*

Financing of the basic infrastructure of the Swiss Federal Railways.

2. *Please state the policy objectives underlying the use of each subsidy*

Environmental and traffic policy objectives.

4. ***Please indicate the form of each subsidy (e.g. tax concession, loan, grant etc.)***
Compensation in form of a loan or non refundable payments.
 5. ***Unless previously indicated, please state which sectors are eligible under the subsidy and/or the estimated number of enterprises which are eligible under the subsidy.***
The Swiss Federal railways (state-owned enterprise)
 6. ***Please indicate the eligibility criteria for subsidies (location, nationality, destination of output, or any other condition).***
There is a service level agreement (always valid for four years) between the federal government and the Swiss Federal Railways.
 7. ***Please indicate how the subsidy is calculated (e.g. on production, on exports, on a fixed or fluctuating basis, etc.).***
-
 8. ***Please specify any time limits attached to the subsidies described above.***
The service level agreement has to be renewed after four years. The current service level agreement is valid from 2003 to 2006.
 10. ***Where such information is available, Members may wish to indicate:***
a) Subsidy per unit or total annual subsidy outlays in respect of each subsidy granted;
For 2004: 517,3 million CHF. Preliminary estimate for 2006: 476,2 million CHF.
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