

Mr. Stephen Astle
Director, Defense Industrial Base Division
Office of Strategic Industries and Economic Security
Bureau of Industry and Security
U.S. Department of Commerce
1401 Constitution Ave, NW
Washington, D.C. 20230

May 6, 2025

Public Comments on Section 232 National Security Investigation of Imports of Pharmaceuticals and Pharmaceutical Ingredients

Regulation.gov ID: BIS-2025-0022
Docket No.: 250414-0065
XRIN: 0694-XC120

Dear Mr. Astle,

economiesuisse is the umbrella organization of the Swiss business community, representing around 100'000 companies across all sectors and regions, employing approximately two million people in Switzerland and an additional two million abroad. We advocate for free trade, fair competition, and sustainable growth to keep Switzerland a competitive and attractive business location.

We would like to thank you for the opportunity to submit these written comments on the Section 232 National Security Investigation of Imports of Pharmaceuticals and Pharmaceutical Ingredients.

- **The pharmaceutical sector stands out as a cornerstone of the strong economic ties between the United States and Switzerland. We respectfully call on the U.S. Department of Commerce to further deepen this successful partnership.**
- **Introducing tariffs or other trade-restrictive measures on pharmaceutical products would jeopardize the strong bilateral cooperation – by distorting markets, slowing innovation, and weakening the resilience of critical supply chains.**

Switzerland as an ideal economic partner for the United States

The United States and Switzerland have long enjoyed a close, mutually beneficial economic relationship, grounded in shared values such as economic openness, innovation and the rule of law. Today, Swiss companies – ranging from small and medium-sized enterprises to global corporations – contribute substantially to the economic well-being of the United States. By the end of 2023, Switzerland had invested a cumulative USD 352 billion in the U.S., making it the sixth-largest foreign investor overall and the N°1 foreign investor in research and development (USD 14.7 billion in 2022). In the same year, Swiss firms supported nearly 400'000 U.S. jobs – across all US states – offering the highest average salary among major foreign investors at USD 131'100. Beyond capital investment,

many Swiss companies are actively replicating Switzerland's highly successful vocational education system in the United States, further strengthening local workforces.

A model partnership in the pharmaceutical sector

Among the various sectors of our economic relationship, pharmaceuticals stand out as a flagship of successful bilateral cooperation. The longstanding and productive partnership between the Swiss pharmaceutical industry and the United States brings tangible benefits to both countries. A key recent milestone is the signing of the Mutual Recognition Agreement on Good Manufacturing Practices for Pharmaceuticals (MRA GMP) in 2023, which has significantly enhanced mutual market access.

Swiss investments in pharmaceuticals and medicines generated the greatest number of R&D jobs for Americans, employing more than 10'000 workers, the most of any country's affiliates in the United States in 2022. In turn, the U.S. regulatory system, based on science and transparency, has offered strong conditions for Swiss companies and enabled life-saving therapies and diagnostics for Americans. Swiss companies benefit greatly from cooperation with U.S. pharmaceutical innovators. And our health system draws extensively on U.S. advancements in medical technology and treatment.

Strengthening supply security through cooperation

As a stable and reliable partner, Switzerland also plays a key role in supporting the resilience and security of global pharmaceutical supply chains. The COVID-19 pandemic clearly demonstrated how like-minded nations such as Switzerland and the United States can collaborate with industry to ensure the uninterrupted flow of essential medicines and vaccines. It is crucial that we build upon this positive experience rather than retreat from it.

Fostering innovation without protectionism

Introducing tariffs or other trade-restrictive measures on pharmaceutical products would risk undermining this progress. Such actions could distort markets, hinder innovation, and threaten supply chain resilience. Instead, we encourage the U.S. government to deepen cooperation with trusted partners like Switzerland to foster favorable conditions for innovation, protect intellectual property, and promote regulatory alignment.

Switzerland, for its part, has adopted a clear policy stance: as of January 1, 2024, it has abolished all tariffs on industrial goods, irrespective of their country of origin. This measure also grants duty-free access to pharmaceutical products. Moreover, Swiss pharmaceutical firms succeed globally without subsidies or protectionism, relying on quality and innovation.

We respectfully call on the U.S. Department of Commerce to recognize and further strengthen the strategic U.S.-Swiss economic partnership – especially in the pharmaceutical sector.

Thank you for your attention and for considering the views of the Swiss business community. We stand ready to engage in further dialogue and cooperation.

Sincerely,
economiesuisse

Ms. Monika Rühl
Chairwoman of the Executive Board

Mr. Jan Atteslander
Member of the Executive Board