



By: TA | AP Brief

Switzerland is investing billions in the US to avoid higher tariffs



Switzerland announced plans to invest \$200 billion in the United States through 2028 as it finalized a hard-wrought deal to slash U.S. tariffs on Swiss goods.

Economy Minister Guy Parmelin said the Trump administration has agreed to cut U.S. tariffs on most Swiss goods to 15% — the same level imposed on the neighboring European Union — from 39%, the highest rate on any **Western country**.

Speaking to reporters in Bern, the capital, Parmelin hailed the deal as a result of “new momentum generated by the commitment of the American president” and said it would take “several weeks” to take effect.

The White House confirmed the deal Friday, adding that companies from Switzerland and tiny Liechtenstein would invest \$67 billion of the \$200 billion in the United States next year.

“These investments will create thousands of well-paying American jobs across all 50 states in a number of sectors, such as pharmaceuticals, machinery, medical devices, aerospace, construction, advanced manufacturing, gold manufacturing, and energy infrastructure,” said a White House fact sheet.

The U.S. consistently runs a deficit — more than \$38 billion last year — in the trade of goods with Switzerland. The White House said “this deal with Switzerland will put us on a path to eliminate that deficit by 2028.”

Earlier, U.S. Trade Representative **Jamieson Greer** said on CNBC that Switzerland would move manufacturing of some pharmaceuticals, gold smelting and railway equipment to the United States.

Top foreign investor in the U.S.

The reduction in U.S. tariffs comes months after the Trump administration raised tariffs on Swiss goods from an initial 31% announced in April — part of the “Liberation Day” tariffs on scores of countries — to 39% on July 31.

That sparked a quick and sustained push from Switzerland's government and business leaders to bring them down — efforts that had been fruitless until Friday's announcement.

Switzerland is already a top foreign investor in the U.S. The \$200 billion in Swiss investment will involve the private sector — what Parmelin called “Team Switzerland” cooperating with government.

It wasn't immediately clear whether that was all new investment: Pharma giant **Roche** announced a \$50 billion investment as the tariff tensions emerged.

The deal comes after a month-long diplomatic courtship by top Swiss officials, who deployed high-level teams to Washington

Some Swiss goods, notably in the pharmaceuticals, chemicals, gold and semiconductor industries, had already been exempted from the 39% rate, which had threatened to put Swiss goods at a massive disadvantage to competitors from the EU and beyond.

The U.S. will also suspend extra tariffs on other goods deemed “important” such as in aviation, but those on other sectors such as industrial machinery, watches, coffee and cheese will continue, Parmelin said. Switzerland will continue to try to lower the tariffs on those, he said.

The deal comes after a month-long diplomatic courtship by top Swiss officials, who deployed high-level teams to Washington, including missions led by President **Karin Keller-Sutter** and Parmelin.

Last week, a half-dozen top executives from leading Swiss companies including Rolex, gold refining company MKS Pamp, and luxury group Richemont met with Trump at the Oval Office to press the Swiss case.