

EU/Switzerland Cooperation Agreement: European Satellite Navigation Programmes

2012/0231(NLE) - 04/09/2012 - Preparatory document

PURPOSE: to conclude the Cooperation Agreement between the EU and its Member States of the one part, and the Swiss Confederation, of the other, on the European Satellite Navigation Programmes.

PROPOSED ACT: Council Decision.

BACKGROUND: by its Decision of 29 June 2010, the Council authorised the Commission to open negotiations with Switzerland for establishing a cooperation agreement on satellite navigation. Switzerland is one of the Union's closest partners in the Galileo programme since the early days of the programme and has contributed politically, technically and financially to all phases of the programme through its membership in the European Space Agency (ESA) and its informal participation in the Galileo-specific EU governance structures over the years. The Agreement will formalise and deepen this close integration of Switzerland in the European GNSS programmes. Without this Agreement, there would be uncertainty about the nature of the collaboration in areas such as security, export control, standardisation, certification and radio spectrum. Moreover, the Agreement allows the EU to set overall principles including safeguard measures in the areas of security and export control.

IMPACT ASSESSMENT: no impact assessment was undertaken. The Special Committee of the Council, authorities of the Member States and Switzerland have been consulted and support the close integration of Switzerland in cooperation in the European GNSS programmes matters and underlined the importance of including issues such as security and export control in the Agreement.

LEGAL BASIS: Article 172 in conjunction with Article 218(6)(a) of the Treaty on the Functioning of the European Union.

CONTENT: the proposal provides for the approval of the Cooperation Agreement on the European Satellite Navigation Programmes between the EU and its Member States and Switzerland. The main points of the Agreement are as follows:

Objective: the aim of the Agreement is to encourage, facilitate and enhance long-term cooperation between the Parties in satellite navigation under civil control and in particular by the participation of Switzerland in the European GNSS programmes.

Principles of cooperation: the Parties agree to apply the following principles to cooperation activities covered by the Agreement:

- mutual benefit based on an overall balance of rights and obligations including contributions and access to all services as laid down in the Agreement;
- reciprocal opportunities to engage in cooperative activities in the European Union and Swiss GNSS projects;
- timely exchange of information that may affect cooperative activities;
- adequate and effective protection of intellectual property rights as referred to in the Agreement;

- freedom to provide satellite navigation services in the territories of the Parties;
- unrestricted trade in European GNSS goods in the territories of the Parties.

Cooperation activities: the sectors for cooperation activities in satellite navigation and timing are:

- radio- spectrum,
- scientific research and training,
- procurement,
- industrial cooperation,
- intellectual property rights,
- export control,
- trade and market development,
- standards, certification and regulatory measures,
- security,
- exchange of classified information,
- staff exchanges, and
- access to services.

The Agreement contains **separate provisions on all these sectors**. It further provides that the Agreement shall not affect the institutional autonomy of the EU to regulate the European GNSS programmes nor the structure established by the European Union for the purpose of the operations of the European GNSS programmes. Nor does the Agreement affect the applicable regulatory measures implementing non-proliferation commitments, export control, controls of intangible transfers of technology nor does it affect national security measures.

Safeguard measures: each Party may, after consultations within the Joint Committee, take appropriate safeguard measures, including the suspension of one or several cooperation activities, if it finds that an equivalent degree of export control or security is no longer assured between the Parties.

Funding: Switzerland shall contribute to the funding of the European GNSS programmes. The Swiss contribution shall be calculated on the basis of the proportionality factor, which is obtained by establishing the ratio between Switzerland's gross domestic product, at market prices, and the sum of gross domestic products, at market prices, of the Member States of the European Union.

For the period 2008-2013, the Swiss financial participation to the European GNSS programmes amounts to **EUR 80 050 870**.

This amount shall be paid as follows:

- 2012: EUR 20 000 000;
- 2013: EUR 40 000 000;
- 2014: EUR 20 050 870.

As of 2014, the Swiss contribution shall be paid annually.

The Agreement contains clauses on the settlement of disputes, revision, termination, entry into force and arbitration.

BUDGETARY IMPLICATIONS: the proposal has only a positive implication for the Union budget. Switzerland will participate financially in the European GNSS programmes following the same formula as for the Swiss participation in the 7th EU RTD Framework Programmes (FP7). The Swiss contribution shall be calculated on the basis of the proportionality factor which is obtained by establishing the ratio between Switzerland's gross domestic product, at market prices, and the sum of the gross domestic products, at market prices of the Member States of the European Union.