EU/Switzerland Agreement: supplementary rules in relation to the instrument for financial support for external borders and visa

2018/0032(NLE) - 06/03/2018 - Legislative proposal

PURPOSE: to conclude, on behalf of the European Union, an Agreement between the European Union and the Swiss Confederation on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the Agreement between the European Union and Switzerland on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020 was signed by the Commission, subject to its conclusion at a later date.

Article 5(7) of Regulation (EU) No 515/2014 establishing, as part of the Internal Security Fund, the instrument for financial support for external borders and visa provides that **the countries associated with the implementation, application and development of the Schengen acquis participate in the instruments** and that arrangements are to be concluded on their financial contributions and the supplementary rules necessary for such participation, including provisions ensuring the protection of the Union's financial interests and the powers of audit of the Court of Auditors.

Regulation (EU) No 515/2014 constitutes a development of the Schengen *acquis*.

CONTENT: the draft Council decision seeks to approve, on behalf of the Union, of the **Agreement between the European Union and Switzerland** on supplementary rules in relation to the instrument for financial support for external borders and visa, as part of the Internal Security Fund, for the period 2014 to 2020.

The aim of the draft Agreement with Switzerland is to establish the arrangements referred to in Article 5 (7) of Regulation (EU) No 515/2014 and to enable the Commission to assume ultimate responsibility for implementation of the budget of the instrument in this associated country and determine this country's contribution to the Union budget in respect of this instrument.

As regards budgetary and financial controls, the Member States are subject to horizontal obligations (e.g. the competence of the Court of Auditors and of the European Anti-Fraud Office (OLAF)), derived either directly from the Treaty or from secondary Union legislation. In application of Article 5(7) of Regulation (EU) No 515/2014, these obligations must be extended to the associated country by means of the draft Agreement.

For the years **2016 to 2018**, the Agreement provides that **Switzerland shall pay an annual amount of EUR 25 106 140 to the budget of the ISF - Borders and Visa**. The contributions of Switzerland for the years 2019 and 2020 shall be calculated in accordance with its respective Gross Domestic Product (GDP) as a percentage of the GDP of all States participating in the ISF – Borders and Visa.

The proposed decision is a **development of the provisions of the Schengen *acquis***. The United Kingdom and Ireland shall not participate in the adoption of the Decision and shall not be bound by it or subject to its application.

Denmark shall not participate in the adoption of the Decision and shall not be bound by it or subject to its application. It shall decide, within a period of six months after the Council has decided on this Decision, whether it will implement it in its national law.