Institutional Framework Agreement between the European Union and the Swiss Confederation. Recommendation

2018/2262(INI) - 26/03/2019 - Text adopted by Parliament, single reading

The European Parliament adopted by 393 votes to 132, with 81 abstentions, a European Parliament recommendation to the Council, the Commission and the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy concerning the Institutional Framework Agreement between the European Union and the Swiss Confederation.

Background

According to Eurostat data, in 2017 Switzerland was the EU’s third-biggest partner in terms of export of goods and its fourth biggest in terms of import of goods. Switzerland is part of the Schengen area. It is a member of the European Environment Agency; it participates in the EU's Horizon 2020 Research Framework Programme and has ratified its participation in the European satellite navigation programmes Galileo and EGNOS.

On 28 September 2018, the Federal Council approved Switzerland's second contribution to a number of EU Member States, amounting to CHF 1.3 billion over ten years, and is now awaiting a positive decision from the Federal Assembly.

Switzerland’s current relationship with the EU is based on a complex set of some 20 main sectoral bilateral agreements and around 100 other agreements; whereas Switzerland only partially participates in all four freedoms. The Council stated that an overarching institutional agreement with Switzerland should aim to protect the homogeneity of the internal market and ensure legal certainty for authorities, citizens and economic operators.

For its part, the Swiss Federal Council wishes to conclude an institutional agreement with the EU that guarantees legal certainty in terms of market access and preserves Switzerland's prosperity, independence and legal system.

A close partnership

Parliament stressed that Switzerland and the EU enjoy a close partnership, that Switzerland is highly integrated with the EU and that both sides share the same values and face the same regional and global challenges. Switzerland's integration into the EU's internal market is a fundamental factor for economic growth, making the European Union Switzerland's main economic and trade partner.

Members called for the conclusion of the institutional framework agreement as soon as possible, in order to bring coherence to the complex system of 120 existing bilateral agreements, including the establishment of a dispute settlement mechanism.

Securing an Interinstitutional Framework Agreement (IFA) with Switzerland is of great importance, since it would guarantee legal certainty for both Switzerland and the EU, dynamic incorporation of the EU acquis, enhanced access to the internal market for Switzerland to the benefit of both sides, and the jurisdiction of the Court of Justice of the European Union in the event of unresolved disputes relating to the application or interpretation of the IFA.

Parliament welcomed the fact that the negotiators had agreed on the final text of the agreement and invited the Swiss Federal Council to take the decision to conclude the agreement as soon as the stakeholder consultation had produced a positive outcome in this respect. It asked the parties to organise an interparliamentary meeting of the legislators of the Union and Switzerland as soon as possible, so that they could discuss all aspects of this agreement.

Free movement of persons

Stressing that the free movement of persons is a fundamental and non-negotiable pillar of EU policy, Members took note of the implementation of the 'domestic preference light' initiative, and the fact that, according to the Council, the resultant text can be implemented in a manner compatible with the rights of EU citizens under the Agreement on the Free Movement of Persons provided that the necessary implementing order resolves outstanding issues, such as the right to information on job offers and respect for the rights of frontier workers.

However, Members pointed out that the question of migration of citizens from third countries should not be confused with the free movement of persons as enshrined in the Treaties; underlines the need to monitor the implementation of the ordinance closely with a view to assessing its compliance with the Agreement on the Free Movement of Persons.

Switzerland's contribution to European programmes

Members considered that Switzerland's financial contributions to programmes such as the Cohesion Fund are in its own interest and should be continued, welcoming the positive effects of Switzerland's contribution on the beneficiary Member States. They recalled that Switzerland draws significant benefits from participating in the single market and stressed that the future Swiss contribution to EU cohesion is essential and should be stepped up considerably, in line with the example set by the EEA/Norway.

Public procurement and services

Members expressed their support for a revised trade partnership covering areas such as services, including digital services, intellectual property rights, trade facilitation, mutual recognition in conformity assessment and public procurement, and including a chapter on trade and sustainable development. They called for deeper cooperation to better protect geographical indications and for an expansion of the bilateral dispute settlement mechanism.

Switzerland is invited to continue its efforts to align its 'Digital Switzerland' strategy with the European digital single market. It is also invited to apply the relevant EU directives in order to maintain its current level of social protection and wages in the context of cross-border service provision.

Members stressed the need to continue to deepen cooperation in order to combat tax evasion and enhance tax justice.

The Parliament welcomed Switzerland's contribution and cooperation in the context of mass migration in the Schengen area and the implementation of the European agenda on migration. It welcomed Switzerland's association with the entire Horizon 2020 programme and invited Switzerland to start negotiations on its association with the Erasmus programmes.