

EU/Liechtenstein Agreement: supplementary rules in relation to the instrument for financial support for border management and visa policy

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PURPOSE: to conclude, on behalf of the European Union, the Agreement between the European Union and the Principality of Liechtenstein on supplementary rules in relation to the instrument for financial support for border management and visa policy, as part of the Integrated Border Management Fund.

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: Regulation (EU) 2021/1148 of the European Parliament and of the Council establishing the Instrument for Financial Support for Border Management and Visa Policy for the period 2021-2027 (the BMVI Regulation) was adopted on 7 July 2021.

The purpose of the BMVI Regulation is to express solidarity through financing assistance to those Member States that apply the Schengen acquis provisions on external borders. It constitutes a development of the Schengen acquis to which the countries associated to the implementation, application and further development of the Schengen acquis participate.

The Principality of Liechtenstein notified on 18 August 2021 its decision to accept the content of the BMVI Regulation and to implement it in its internal legal order.

The Union should conclude agreements with each of the four Schengen associated countries. This proposal concerns the agreement with the Principality of Liechtenstein.

CONTENT: the purpose of this proposal is the conclusion of an agreement between the Union and the Principality of Liechtenstein on this country's contribution to the instrument for financial support for Border Management and Visa Policy for the period 2021-2027 and on the supplementary rules necessary for this participation.

The BMVI offers the opportunity to implement actions in shared management, direct and indirect management modes, and this Agreement should make it possible that the implementation in direct and indirect management mode can be realised in Liechtenstein in accordance with the principles and rules of the Union on financial management and control.

In light of the administrative burden, which the requirements of Regulation (EU) 2021/1060 of the European Parliament and of the Council (Common Provisions Regulation) would impose on Liechtenstein to implement its limited allocation in **shared management**, the support provided to Liechtenstein under the BMVI Regulation resulting from the right to obtain an allocation for a programme should be implemented primarily in direct management in accordance with Title VIII of the Financial Regulation, entitled 'Grants'.

To facilitate the calculation and use of the annual contributions due by Liechtenstein to the BMVI, its contributions for the period 2021 to 2027 should be paid in four annual instalments from 2024 to 2027.

From 2024 to 2025, the annual contributions are set in fixed amounts (**EUR 739 017 per year** while the contributions due for the years 2026 and 2027 should be determined in 2026 on the basis of the nominal gross domestic product of all States participating in the BMVI taking into account the payments effectively made.

In line with the principle of equal treatment, Liechtenstein should benefit from any surplus revenue as defined in Article 86 of Regulation (EU) 2018/1240 of the European Parliament and of the Council (the ETIAS Regulation).