European Parliament

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Committee on Foreign Affairs

2023/2042(INI)

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DRAFT REPORT

on EU-Switzerland relations (2023/2042(INI))

Committee on Foreign Affairs

Rapporteur: Lukas Mandl

Rapporteurs for the opinion (*): Jörgen Warborn, Committee on International Trade Hannes Heide, Committee on Culture and Education

(*) Associated committee(s) – Rule 57 of the Rules of Procedure

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on EU-Switzerland relations (2023/2042(INI))

The European Parliament,

- having regard to the Agreement between the European Economic Community and the Swiss Confederation¹, signed on 31 December 1972,
- having regard to the Agreement between the European Economic Community and the Swiss Confederation on direct insurance other than life assurance²,
- having regard to the Agreement between the European Community and the Swiss Confederation on the simplification of inspections and formalities in respect of the carriage of goods and on customs security measures³,
- having regard to the rejection by Switzerland of membership of the European Economic Area in 1992,
- having regard to the Decision of the Council, and of the Commission as regards the Agreement on Scientific and Technological Cooperation, of 4 April 2002 on the conclusion of seven Agreements with the Swiss Confederation, known as 'Bilaterals I'⁴,
- having regard to nine additional sectoral agreements signed in 2004, known as 'Bilaterals II',
- having regard to the Agreement between the European Community and the Swiss Confederation on mutual recognition in relation to conformity assessment⁵, which entered into force on 1 June 2002,
- having regard to Agreement between the European Community and the Swiss Confederation on trade in agricultural products, which entered into force on 1 June 2002⁶,
- having regard to the Agreement between the European Community and the Swiss Confederation on certain aspects of government procurement⁷,
- having regard to the Agreement between the European Community and its Member
 States, of the one part, and the Swiss Confederation, of the other, on the free movement

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¹OJ L 300 31.12.1972, p. 189.

² OJ L 205, 27.7.1991, p. 3.

³ OJ L 199 31.7.2009, p. 24.

⁴OJ, L 114, 30.4.2002.

⁵OJ L 114 30.4.2002, p. 369.

⁶OJ L 114 30.4.2002, p. 132.

⁷OJ L 114 30.4.2002, p. 430.

of persons8,

- having regard to the Agreement between the Swiss Confederation and the European Police Office in force since 2006,
- having regard to the Agreement between Eurojust and Switzerland of 26 November 2008,
- having regard to the Agreement between the European Union and the Swiss Confederation concerning cooperation on the application of their competition laws⁹ of 2014,
- having regard to the Cooperation Agreement between the European Union and its Member States, of the one part, and the Swiss Confederation, of the other, on the European Satellite Navigation Programmes¹⁰,
- having regard to the Arrangement between the European Union and the Swiss Confederation on the modalities of its participation in the European Asylum Support Office¹¹ signed on 10 June 2014 and, ratified by Switzerland on 1 March 2016,
- having regard to the Agreement between the EU and Switzerland on the automatic exchange of financial account information, which entered into force on 1 January 2017, and which significantly facilitates the fight against tax evasion,
- having regard to the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, signed on 23 November 2017¹²,
- having regard to the Council conclusions of 19 February 2019 on EU relations with the Swiss Confederation,
- having regard to the decision by the Swiss Federal Council of 26 May 2021 to terminate the negotiations of the EU-Swiss Institutional Framework,
- having regard to the adoption by the Swiss Federal Council of a set of guidelines for its negotiating package with the EU on 23 February 2022,
- having regard to Switzerland's decision to increase its financial contribution to the European Border and Coast Guard Agency (Frontex),
- having regard to European Parliament recommendation of 26 March 2019 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

⁸ OJ L 114 30.4.2002, p. 6.

⁹OJ L 347, 3.12.2014, p. 3.

¹⁰OJ L 15, 20.1.2014, p. 3.

¹¹ OJ L 65, 11.3.2016, p. 22.

¹² OJ L 322, 7.12.2017, p. 3.

Confederation¹³,

- having regard to the European Parliament recommendation of 18 June 2020 on the negotiations for a new partnership with the United Kingdom of Great Britain and Northern Ireland¹⁴,
- having regard to the Decision No 1313/2013/EU of the European Parliament and of the Council of 17 December 2013 on a Union Civil Protection Mechanism¹⁵,
- having regard to Rule 54 of its Rules of Procedure,
- having regard to the opinions of the Committee on International Trade and the Committee on Culture and Education.
- having regard to the report of the Committee on Foreign Affairs (A9-0000/2023),
- A. whereas the EU and Switzerland are close like-minded allies and key economic partners;
- B. whereas the EU and Switzerland have a long-standing relationship founded on shared values and goals of peace and economic prosperity;
- C. whereas the Swiss Federal Council commissioned the development of key figures for a negotiation mandate with the EU by the end of June 2023;
- D. whereas to date, the EU and Switzerland have concluded over 120 bilateral agreements; whereas many of them urgently need to be updated;
- E. whereas Switzerland decided to terminate the negotiations on the EU-Swiss institutional framework; whereas a solution for a future EU-Switzerland relationship is needed;
- F. whereas Switzerland is deeply integrated into the EU single market; whereas a level playing field in the single market is necessary;
- G. whereas Switzerland will hold general elections on 22 October 2023;

Foreign and security policy

- 1. Highlights the EU's strong interest in cooperating with Switzerland on international peace, security and defence matters, in particular in response to Russia's war of aggression against Ukraine; welcomes Switzerland's alignment with EU sanctions adopted in this context, diverging from its traditionally neutral stance;
- 2. Welcomes Switzerland's close stance with the EU's common foreign and security policy; welcomes, further, Switzerland's announcement in November 2021 that it would participate in the Permanent Structured Cooperation (PESCO);

¹³ OJ C 108, 26.3.2021, p. 133.

¹⁴ OJ C 362, 8.9.2021, p. 90.

¹⁵ OJ L 347 20.12.2013, p.924.

- 3. Welcomes the fact that Switzerland is seeking closer cooperation with the EU and NATO; welcomes, in this regard, Switzerland's involvement in the Partnership for Peace programme; urges Switzerland to deepen its cooperation with the EU on food security and defence;
- 4. Notes that Switzerland's alignment with EU sanctions against Russia is on a case-by-case basis; encourages Switzerland to closely and consistently apply restrictive measures and to prevent their circumvention; encourages Switzerland to step up the seizure and confiscation of Russian assets;

Society and geopolitics

- 5. Welcomes the political statement following the conference of cantons of 24 March 2023 advocating treaty-based relations with the EU based on shared values; welcomes, further, Switzerland's participation in the informal summits of the European Political Community;
- 6. Recognises EU-Switzerland cooperation on international migration, including the management of flows and relocation of refugees; notes the large number of cross-border commuters between the EU and Switzerland;
- 7. Regrets that Switzerland does not qualify to join the EU Civil Protection Mechanism; calls on a future partnership with Switzerland within this framework;

Economy and labour market

- 8. Recalls the long-standing relationship between the EU and Switzerland founded on shared values and goals of peace and economic prosperity, as well as on their economic interdependence;
- 9. Is concerned about Switzerland's inconsistent implementation of certain agreements and its subsequent adoption of legislative measures and practices that are incompatible with those agreements, in particular with the Agreement on the free movement of persons;
- 10. Notes that a large number of bilateral agreements between the EU and Switzerland need to be revisited in order to prevent their expiry, in particular those on enhanced access to the Swiss market for EU economic operators, in particular in the agriculture, food and services sectors;
- 11. Notes that an effective dispute settlement mechanism is fundamental, as is a solution on institutional matters, such as cohesion policy; stresses that a common jurisdiction between the EU and Switzerland is a prerequisite for a common market;
- 12. Urges Switzerland to apply the relevant EU *acquis* where required, in particular on posted workers and to adapt flanking measures applicable to EU economic operators providing services in its territory; notes Switzerland's concerns in this regard and points out that former EU candidate countries had similar concerns and that they have not materialised;

Energy

- 13. Notes with concern that Switzerland did not support the EU's push to remove fossil fuel protections from the Energy Charter Treaty (ECT);
- 14. Stresses that grid stability and the security of supply and transit depend on close cooperation between the EU and Switzerland; notes the interconnection of Swiss, German and French power grids; remains concerned that excluding Switzerland's energy industry poses systemic risks for the whole of continental Europe's synchronous grid;
- 15. Stresses that solutions for cross-border electricity trading must be found in order to allow continued and close cooperation between the EU and Switzerland;

Research and development

- 16. Underlines the importance of EU-Switzerland cooperation in research and development, fostering Europe's role as a strong player in this field of research and innovation;
- 17. Reiterates the importance of EU-Switzerland cooperation in EU programmes such as Horizon Europe, Digital Europe, Euratom, ITER and Erasmus+, and praises the excellent record of cooperation to date;
- 18. Calls on the Commission and the Swiss Federal Council to do their utmost to ensure Switzerland's return to Horizon Europe; calls on the Swiss Federal Council to adopt a negotiating mandate on key structural issues, giving a clear political signal to the EU;

Institutional framework and cooperation

- 19. Regrets the Swiss Federal Council's decision to terminate the negotiations on the EU-Swiss Institutional Framework in May 2021; regrets any narratives that the EU works against Swiss interests; stresses that a second failure in negotiating an agreement on EU-Swiss relations would be damaging for both the EU and Switzerland and risks weakening their political role;
- 20. Stresses that it is in the fundamental interest of both sides to maintain good, stable and mutually beneficial relations under a modernised relationship and through an agreement that creates stability and welfare;
- 21. Is concerned that basic bilateral agreements are reaching the end of their validity; notes that the model based on bilateral agreements instead of a broad framework agreement is outdated; remains concerned about the end of the application of the Mutual Recognition Agreement for Medical Devices, which means medical devices are no longer recognised in the regulated area in the EU;
- 22. Welcomes the Swiss Federal Council's decision to set out its approach for negotiations and that it commissioned the development of key figures for a negotiation mandate with the EU by the end of June 2023;
- 23. Expects the progress in exploratory talks between the Commission and the Swiss Federal Council to be stepped up with a view to obtaining the clarifications and assurances required to adopt a mandate for negotiations; calls on both sides to use this

window of opportunity for talks on a possible new negotiation package and to reach an agreement before the end of the term of the current European Commission and European Parliament;

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24. Instructs its President to forward this resolution to the Council, the Commission and the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, and to the President, Government and Parliament of the Swiss Confederation.