

## **Joint Statement**

**by**

**Benedikt WÜRTH, Chair of the Swiss Federal Assembly Delegation to the European Free Trade Association (EFTA) Parliamentary Committee and for relations with the European Parliament (EFTA/EU Delegation)**

**and**

**Andreas SCHWAB, Chair of the European Parliament Delegation for Northern Cooperation and for relations with Switzerland and Norway and to the EU-Iceland Joint Parliamentary Committee and the European Economic Area Joint Parliamentary Committee (DEEA Delegation)**

**on the status of bilateral relations between Switzerland and the European Union**

**on the occasion of the 41<sup>st</sup> interparliamentary meeting between Switzerland and the EU on 7 October 2022 in Rapperswil-Jona, Switzerland**

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The Chairs of the EFTA/EU Delegation and of the DEEA Delegation declare that they:

- a) Remain convinced that it is in the fundamental interest of both sides to maintain good, stable and mutually beneficial relations, for which the current basis is the bilateral approach; welcome the fact that the Swiss Federal Council has set out its approach for negotiations;
- b) Welcome the exploratory talks held since the end of March 2022; underline that the expectations on both sides are well known because of the many years of previous negotiations on an institutional framework agreement; express their hope that the two parties will find the necessary common ground in the exploratory talks as soon as possible in order to resume negotiations;
- c) Are convinced that there are no unsurmountable political differences between Switzerland and the EU;
- d) Take note of the vertical approach proposed by the Swiss Federal Council aimed at anchoring the institutional issues such as the dynamic updating and dispute settlement in each individual single market agreement; take note at the same time of the position expressed by the European Commission that a systemic solution needs to be found that covers all the structural issues across the various agreements;
- e) Highlight that the rules on state aid as laid down in articles 8A to 8C of the draft institutional framework agreement appear to be a mutually acceptable solution;
- f) Are of the opinion that the modalities of an adequate and recurrent Swiss financial contribution should also be part of a systemic solution;
- g) Reiterate the importance of cooperation in EU programmes such as Horizon Europe, Digital Europe, Euratom, Iter and Erasmus+ and praise the excellent record of cooperation to date; express their conviction that cooperation and networking on a pan-

European level are key to Europe's ability to hold its own in global competition as a location for research and innovation; are of the opinion that the adoption by the Swiss Federal Council of a negotiating mandate on the structural issues would represent the "clear political signal" requested by the EU for the commencement of negotiations on a multi-programme association agreement on Switzerland's participation in said EU programmes;

- h) Stress that, as regards the dispute settlement mechanism, a two-pillar approach should be applied, whereby the Court of Justice of the European Union interprets and applies the Union *acquis* and the Swiss Federal Supreme Court interprets and applies Swiss law; reaffirm that the solution for dispute settlement provided for in the draft institutional framework agreement, which foresees a role for the Court of Justice of the European Union, remains an appropriate compromise; express their expectation that future negotiations to anchor the institutional issues in the individual agreements will revert to this solution; point out that the Swiss Federal Council reached the same conclusion in its letter to the European Commission of 7 June 2019;
- i) Take note that, with regard to the issue of wage protection and flanking measures, Switzerland considers that the protection it seeks cannot be fully covered solely by adopting the relevant EU law on the posting of workers, but that Switzerland, taking into account the particularities of its labour market (short posting period of ninety working days per calendar year), is seeking to maintain a series of measures that go beyond the instruments provided for in EU law, and this irrespective of any changes in EU law and the case law of the Court of Justice of the European Union; take note that the EU *acquis* in the area of social rights has developed significantly since the signature of the 1999 Free Movement of Persons Agreement, including with the introduction of the principle of "same pay for same work in the same place" in the Posting of Workers *acquis*; take note that the EU considers the Swiss flanking measures not to be in compliance with the 1999 Free Movement of Persons Agreement and that any measures must be justified, proportionate, and non-discriminatory;
- j) Are of the opinion that the instruments provided for in Protocol 1 of the draft institutional framework agreement should be the basis of any development in the cooperation between the two parties in this area with the aim of ensuring a proportionate and adequate level of protection, including the dual enforcement system currently in effect in Switzerland and the autonomous determination of the control density, while taking into account that such measures must be justified, non-discriminatory and proportionate;
- k) Underline that the 1999 Free Movement of Persons Agreement between Switzerland and the EU applies without restriction and that this agreement has been confirmed by the Swiss electorate in several referendums; acknowledge that the free movement of persons is an integral part of the Internal Market; are convinced that the two parties must achieve a balance of interests with regard to the incorporation of Directive 2004/38 into the Free Movement of Persons Agreement; take note of the fact that, from Switzerland's point of view, such a balance of interests must include two essential exceptions, namely with regard to the right of permanent residence introduced by Directive 2004/38 and the strengthened protection against expulsion in the area of public order; recognise that any exceptions and safeguards must be strictly limited and clearly defined in scope;

- l) Are of the opinion that Switzerland should reduce the period of residence required to obtain a Swiss settlement permit to five years for nationals of the thirteen Member States that have joined the EU since 2004; note that, under Swiss law, the granting of a settlement permit also depends on other conditions (integration criteria such as language skills or the absence of grounds for revocation such as permanent and substantial dependence on social assistance);
- m) Express their expectation that contacts between the Federal Council and the European Commission will be intensified with a view to obtaining the clarifications and assurances that are required to adopt a mandate for negotiations.