Swiss contribution (enlargement contribution) to selected EU states

April 2019

Through its enlargement contribution, Switzerland has been helping to reduce economic and social disparities in the European Union (EU) since 2007. The partner states of the enlargement contribution are the thirteen countries that have acceded to the EU since 2004 (the EU13). The prosperity gap within the EU remains relatively wide and Switzerland’s contribution is an investment in Europe’s security, stability and prosperity. At the same time, Switzerland is establishing an important basis for solid economic and political relations with the EU and partner states. At its meeting held on 28 September 2018, the Federal Council approved the dispatch on a second contribution to selected EU member states in response to broadly positive feedback received at the consultation stage.

Chronology
- 31.12.2017 Completion of EU10 project implementation
- 01.06.2017 Entry into force of renewed Federal Act on Cooperation with the States of Eastern Europe, expires on 31 December 2024
- 31.05.2017 End of the commitment period for Croatia
- 30.09.2016 Approval by Parliament of the renewed Federal Act on Cooperation with the States of Eastern Europe
- 17.02.2016 Adoption of the Federal Council Dispatch on the renewal of the Federal Act on Cooperation with the States of Eastern Europe
- 30.06.2015 Signing of the bilateral framework agreement with Croatia
- 11.12.2014 Approval by Parliament of the framework credit for Croatia (CHF 45m)
- 07.12.2014 End of the commitment period for Bulgaria and Romania
- 01.07.2013 EU accession of Croatia
- 14.06.2012 End of the commitment period for the EU10
- 07.09.2010 Signing of the bilateral framework agreements with Bulgaria and Romania
- 07.12.2009 Approval by Parliament of the framework credit for Bulgaria and Romania (CHF 257m)
- 20.12.2007 Signing of the bilateral framework agreements with the EU10
- 01.07.2007 EU accession of Bulgaria and Romania
- 14.06.2007 Approval by Parliament of the framework credit for the EU10 (CHF 1bn)
- 26.11.2006 Adoption by the Swiss electorate of the Federal Act on Cooperation with the States of Eastern Europe as legal basis (53.4% in favour); entry into force: 1 June 2007, expires after 10 years
- 01.05.2004 EU accession of the EU10 (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia)

State of play
On 28 September 2018, the Federal Council approved the dispatch on a second contribution to selected EU member states in response to broadly positive feedback received at the consultation stage. The Federal Council aims to leverage Swiss expertise to reduce economic and social disparities and to manage migration better in selected EU member states. In 2017, the Federal Council already set the two priorities for Switzerland’s contribution: vocational education and training, and migration.

Some key issues concerning the broader Swiss-EU relationship remained unresolved when the dispatch was submitted, including the outcome of negotiations on the institutional agreement and renewed recognition of the equivalence of the Swiss stock exchange, which the Federal Council considers nec-
necessary. It is now for Parliament to make a decision regarding the relevant framework credits.

The second contribution should match the value of the enlargement contribution, i.e. CHF 1.302 billion, or an average of CHF 130 million a year over a ten-year period. CHF 1.102 billion has been earmarked by the Federal Council to strengthen cohesion within the EU13 countries, in particular in the priority area of vocational education and training. The funding may also be invested in other areas such as research and innovation, welfare and healthcare systems, public safety, civic involvement and transparency, environmental and climate protection and SME financing, in line with the priorities set by the partner countries and Switzerland. CHF 200 million would be used for migration-related measures, including in EU countries outside the EU13 which are particularly affected by migration movements.

On 30 September 2016, the Swiss Parliament adopted the renewed Federal Act on Cooperation with the States of Eastern Europe within the framework of the Federal Council Dispatch on International Cooperation 2017–2020. In addition to providing the basis for the ongoing transition cooperation with the eastern European countries outside the EU, the renewed federal act – which came into force on 1 June 2017 – continues to serve as the legal basis for Switzerland’s contribution to European cohesion. The legal basis for the contribution in the area of migration is the Asylum Act.

**Context**

Since 2007, Switzerland has contributed CHF 1.302 billion to numerous projects to reduce the economic and social disparities within the enlarged EU. The EU13, i.e. Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia are Switzerland’s partner countries for this enlargement contribution.

All projects under the enlargement contribution for the EU10 (those countries that joined the EU in 2004) were successfully completed by the end of 2017 following a ten-year planning and implementation phase. The independent evaluation published in 2016 confirmed that the vast majority of the projects achieved their objectives, in some cases even exceeding the expected results. The projects have made a positive contribution to promoting social and economic development in the partner states and have made a lasting impact. In Romania and Bulgaria the implementation phase will continue until December 2019; in Croatia it will continue until the end of 2024.

Switzerland’s contribution is not part of the EU’s cohesion policy. Implementation is carried out bilaterally between Switzerland and the partner state in question. Switzerland is careful to allocate the funds committed in a way that complements the EU cohesion funds.

**Relevance**

The autonomous Swiss contribution is an investment in Europe’s security, stability and prosperity and is thus in Switzerland’s national interest. With its second contribution, Switzerland is strengthening and deepening bilateral relations with its partner countries and the EU as a whole. The Federal Council has stressed the importance of this goal on numerous occasions. By focusing on vocational education and training and on migration, Switzerland can help to address challenges Europe is currently facing – challenges which also affect our country.