

Memorandum of Understanding between Switzerland and the European Union on a contribution by Switzerland towards reducing economic and social disparities and for cooperation in the area of migration in the European Union

Switzerland and the European Union,

Considering the close links between Switzerland and the European Union, based on numerous sectoral agreements, particularly in economic, scientific and cultural areas;

Considering the EU's contribution towards safeguarding peace, freedom, stability and prosperity in Europe;

Considering that the Swiss Federal Council is determined to demonstrate the support of Switzerland in that respect;

Considering the European Union's efforts on economic and social cohesion;

Underlining that a well-functioning internal market based on common rules is in the interest of both sides and an integral part of their partnership;

Underlining in this context the importance of actions contributing to reducing the economic and social disparities between their regions, and recalling therefore the importance of Switzerland's current autonomous contributions to projects and programmes in the European Union;

Welcoming the foreseen cooperation in the area of migration;

have reached the following understanding:

1. The second Swiss Contribution to selected EU Member States

The Swiss Federal Council will negotiate bilateral framework agreements with selected EU Member States (hereinafter referred to as "Partner States") in view of a Swiss Contribution of a total amount of 1'302'000'000 CHF (one billion three hundred and two million Swiss francs).

The overall objective of the Swiss Contribution is to contribute to the reduction of economic and social disparities within the EU and to cooperate in the area of migration, building upon and further strengthening the bilateral relations between Switzerland and the EU and its Member States.

Of this total amount, 1'102'000'000 CHF (one billion one hundred and two million Swiss francs) are foreseen to be used for cooperation in the area of cohesion, and 200'000'000 CHF (two hundred million Swiss francs) for cooperation in the area of migration.

Of the total amount, up to 5%, i.e. 65'100'000 CHF (sixty five million one hundred thousand Swiss francs), are foreseen to be available to Switzerland to cover personnel, operating and material expenditures of the Federal Administration as well as depreciation on tangible and intangible assets of the Federal Administration resulting from the Swiss Contribution.

Of the total amount, up to 2%, i.e. 26'040'000 CHF (twenty six million forty thousand Swiss francs), are foreseen to be used by Switzerland to share Swiss expertise by third parties with the Partner States.

The respective expertise should contribute in particular to strengthen bilateral relations, share Swiss know-how and ensure the quality and the sustainability of support measures.

a) Cooperation in the area of cohesion

The Swiss Federal Council will negotiate bilateral framework agreements with Partner States listed in the table below.

These framework agreements are expected to contain the arrangements for cooperation in the area of cohesion of a total of up to 1'024'860'000 CHF (one billion twenty four million eight hundred sixty thousand Swiss francs), that should be committed until, at the latest, 3.12.2024, and implemented until, at the latest, 3.12.2029, as well as provisions on Swiss management costs and the Swiss Expertise and Partnership Fund.

<u>Allocation</u>	<u>Swiss Francs</u>
Bulgaria	92.500.000
Croatia	45.700.000
Cyprus	5.200.000
Czech Republic	76.900.000
Estonia	26.000.000
Hungary	87.600.000
Latvia	40.400.000
Lithuania	45.200.000
Malta	3.560.000
Poland	320.100.000
Romania	221.500.000
Slovenia	16.000.000
Slovakia	44.200.000
Total bilateral framework agreements	1024.860.000
2% Swiss Expertise and Partnership Fund	22.040.000
5% Swiss management costs	55.100.000
TOTAL	1102.000.000

Regional and national support measures, and support measures that involve several Partner States, may be financed by this Contribution.

b) Cooperation in the area of migration

The Swiss Federal Council will negotiate bilateral framework agreements with Partner States.

These framework agreements are expected to contain the arrangements for cooperation in the area of migration of a total of up to 161'000'000 CHF (one hundred sixty one million Swiss francs), that should be implemented until, at the latest, 3.12.2029, as well as provisions on Swiss management costs and the Swiss Expertise and Partnership Fund.

Up to 25'000'000 CHF (twenty five million Swiss francs) are foreseen to be set aside in a Rapid Response Fund.

<u>Allocation</u>	<u>Swiss Francs</u>
Total bilateral framework agreements	161.000.000
Rapid Response Fund	25.000.000
2% Swiss Expertise and Partnership Fund	4.000.000
5% Swiss management costs	10.000.000
TOTAL	200.000.000

Potential Partner States are EU Member States facing particular migration pressure and/or where a need to strengthen asylum or return structures is identified both by Switzerland and the respective EU Partner State.

The identification of Partner States should take into account objective and verifiable criteria such as: the number of irregular arrivals and the number of people disembarked following search and rescue operations; the relative increase of new asylum claims; the number of asylum claims per inhabitant; the number of pending asylum claims per inhabitant; the number of third-country nationals who are subject to a return decision under national or Union law per inhabitant; the relative increase of the number of third-country nationals who are subject to a return decision; as well as a joint interest identified by both Switzerland and the Partner State to cooperate on the improvement in the Partner State's migration management system. The Swiss Federal Council intends to provide for adequate technical exchanges on the process of identification of potential partners with the European Commission in order to ensure coherence with the Union's Common European Asylum System and return policy.

The cooperation in the area of migration is, thus, not limited to the Partner States listed under paragraph 1a above.

The amount of 161.000.000 CHF (one hundred sixty one million Swiss francs) is foreseen to be divided into two multiannual programme periods, involving two to four Partner States for each programme period.

The Swiss Federal Council aims to conclude bilateral framework agreements with Partner States and allocate respective financial resources based on a current needs assessment.

The Rapid Response Fund is not linked to the geographical priorities of the multiannual programmes. It is foreseen to be used to rapidly react to unexpected situations in the area of migration in EU Member States.

The present Memorandum does not reflect potential contributions to EU funding instruments, such as the successor to the Asylum, Migration and Integration Fund, within the amount available for cooperation in the area of migration.

2. Objectives and thematic areas

The cooperation in the areas of cohesion and migration aims to contribute to the following objectives and thematic areas:

Promoting economic growth and social dialogue, reducing (youth-) unemployment

- Vocational and professional education and training
- Research and innovation
- Financing for micro, small and medium-sized enterprises

Managing migration and supporting integration

Increasing public safety and security

- Implementing efficient and high quality asylum procedures in accordance with the relevant EU law*
- Contributing to the improvement of infrastructure, in particular as far as reception conditions are concerned*
- Providing support to migration management and promoting integration measures
- Supporting assisted voluntary return and reintegration*
- Improving public safety and security

Protecting the environment and the climate

- Energy efficiency and renewable energy
- Public transport
- Water and waste-water management
- Waste management
- Nature conservation and biodiversity

Strengthening of social systems

- Health and social protection
- Minorities and socially disadvantaged groups

Civic engagement and transparency

As regards support measures under the first two objectives, the Swiss Federal Council intends to put priority on the following two areas:

- 1) vocational and professional education and training and
- 2) migration.

The thematic areas marked with asterisk are eligible for funding under cooperation in the area of migration.

Thematic areas should be selected and funds allocated according to the priorities of each Partner State and Switzerland.

3. Information and coordination

The Swiss Federal Council and the European Commission intend to communicate at technical level with each other on a yearly basis, or whenever the need arises, as regards the implementation of the Swiss Contribution, including in policy matters.

As part of this dialogue to share regularly information on the implementation of the Swiss Contribution, the European Commission intends to present information to the Swiss authorities about the implementation of the EU's migration policy of relevance to the Swiss Contribution, and the Swiss authorities and the European Commission intend to share information in a timely manner on the scope and nature of the cooperation programme in each of the Partner States under this Contribution in the area of migration, with a view to examining complementarity and coherence with EU measures in this area.

Switzerland and the European Union intend to exchange, as part of their political dialogue on their relationship as a whole, information on future Swiss support measures in line with the EU's priorities for reducing economic and social disparities.

4. Selection of support measures

The selected support measures, to be chosen by the Swiss Federal Council in agreement with the Partner States, are foreseen to be based on these States' priorities, needs and institutional and financial take-up capacities, as well as on EU and Swiss priorities and, as regards cooperation in the area of cohesion, the experiences from the cooperation under the Swiss Contribution to the enlarged EU. It is expected that the Partner States propose support measures that are in line with EU priorities.

5. Implementation of support measures

Support measures can be implemented as appropriate on a basis that is bilateral, multi-bilateral (involving co-financing with other institutions or donors), or multilateral.

With the exception of the amounts reserved for Swiss management costs and the Swiss Expertise and Partnership Fund, the Swiss Contribution should be provided in the form of non-refundable grants or concessional financial facilities.

Entities benefitting from the Swiss Contribution should in principle co-finance the support measures. In general, the same co-financing rules should apply as in effect in the EU for the 2021-2027 regional and national cohesion policy programmes and financial instruments in the field of migration.

Technical assistance projects, institution-building programmes, and support measures implemented by non-governmental organisations may be financed with a higher percentage or fully by the Swiss Contribution.

Rules regarding public procurement and State aid are to be respected. Contributions towards support measures are not to be tied and could be used to procure goods and services from any origin.

6. Implementation of the Swiss Contribution

The bilateral framework agreements referred to in paragraph 1 are expected to be in conformity with this Memorandum. A general description of the intended content of the bilateral framework agreements between Switzerland and the Partner States is attached in annex.

These agreements should be negotiated and implemented in a spirit of equal partnership between the Partner States and Switzerland notably as regards the proposal, appraisal and selection of support measures financed from this contribution.

This Memorandum is not intended to create rights or obligations under international or domestic law.

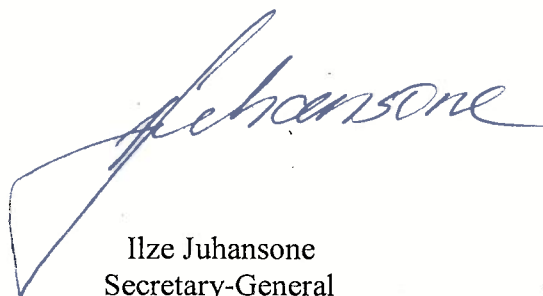
Signed in duplicate in Brussels on 30 June 2022 in English.

For Switzerland,

For the Commission,
on behalf of the Union,



Livia Leu
State Secretary



Ilze Juhansone
Secretary-General

Annex: General description of the intended content of the bilateral framework agreements between Switzerland and the Member States of the European Union

Each of the bilateral framework agreements is expected to contain the general principles of the cooperation between Switzerland and the Partner State in question regarding cooperation in the area of cohesion and / or in the area of migration as outlined in paragraph 1 of the Memorandum.

The bilateral framework agreements would refer to the regulations that lay down the rules and procedures on the implementation of the Swiss Contribution.

Each bilateral framework agreement is intended to contain further the Country-Specific Set-Up which should define the thematic and geographic allocations of the Swiss Contribution to the respective Partner State, specific rules agreed upon with the respective Partner State, and the attribution of roles and tasks to entities involved in the respective programme.

The standard content of a framework agreement can be summarised as follows:

1. Preamble on shared values and cooperation and reference to this Memorandum
 2. Legal framework of the implementation of the Swiss Contribution
 3. Objectives of the cooperation between Switzerland and the Partner State
 4. Financial framework outlining:
 - the amount of the Swiss Contribution allocated to the Partner State,
 - the overall costs for Swiss management and Swiss Expertise and Partnership Fund,
 - start and end dates of the commitment and implementation periods,
 - forms of financing of projects, programmes and other support measures and their co-financing by the Partner State.
 5. Principles for support measures including criteria for selecting support measures by the Partner State, compliance with EU and national law, complementarity with similar support measures under EU instruments, approval processes, contractual arrangements and monitoring
 6. Competent authorities
 7. Common concern particularly regarding the correct use of funds
 8. Procedure for amendments, final provisions, and annexes
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