Factsheet 20 December 2024

## Swiss contribution to selected EU member states

## What is the Swiss contribution?

With the Swiss contribution, Switzerland has been helping to reduce economic and social disparities in the EU and to manage migration flows since 2007. At the same time, it is strengthening its relations directly with selected countries in the EU neighbourhood. To this end, Switzerland has made two financial contributions – each in the amount of CHF 1.3 billion – known as the enlargement contribution (from 2007) and the second Swiss contribution (from 2019). The funds have been used to implement programmes and projects in the economically weaker EU member states directly.

The negotiating mandate stipulated that a legally binding mechanism for regular Swiss contributions should be negotiated. The negotiations also had to set the duration and amount of the next Swiss contribution, the most important areas of cooperation and the selection of partner countries. In addition, a one-off additional financial commitment is also intended to take account of cooperation with the EU until the new mechanism takes effect.

## **Negotiation result**

The negotiating mandate was fulfilled: the agreement creates a legally binding mechanism for regular Swiss contributions. These contributions apply for seven years in each case, initially for 2030–36. The details of each contribution, in particular the key areas of cooperation, will later be set out in a legally non-binding memorandum of understanding with the EU. Switzerland has achieved that, in addition to the main pillar of cohesion, which is aimed at the economically and socially weakest regions, "important common challenges" can also continue to be taken into account, e.g. migration.

As in the past, Switzerland will conclude bilateral implementation agreements with the partner countries for each future contribution, whereby funding will not flow into the EU budget, but rather will be used directly in the partner countries for jointly agreed programmes.

In cases of corruption or violations of common values (e.g. the rule of law), Switzerland can take effective measures, such as suspending payments.

The first contribution for 2030–36 amounts to CHF 350 million every year.

Switzerland has also undertaken to make an additional financial commitment to reflect the scope of the CH–EU partnership and cooperation in the period between the end of 2024 and the end of 2029. As with the first contribution, the corresponding funds will only become due after the agreements enter into force.

In order for Switzerland to make regular contributions to selected EU member states in future, a new Swiss legal basis is required. Work on this is being carried out by the offices concerned in parallel with the negotiations with the EU, and the draft bill will be presented as part of the Federal Council's dispatch.

## Importance for Switzerland

The Swiss contribution has been an important part of the bilateral approach since 2007, with Switzerland investing in stability and cohesion in Europe. These are important prerequisites for the proper functioning of the EU single market, in which Switzerland participates on a sectoral basis.

Through its contributions, Switzerland is also strengthening and deepening its bilateral relations with partner countries. The funding does not flow into the EU budget, but rather its

use is determined directly with the partner countries. This means that Switzerland can promote its own thematic priorities and ensure that funding is used in a targeted manner in cooperation with the partner countries, and that Swiss partners can be included.

The agreement creates a clear, predictable framework for future Swiss contributions. It thus increases legal certainty and financial predictability for Switzerland.