Schweizerische Eidgenossenschaft
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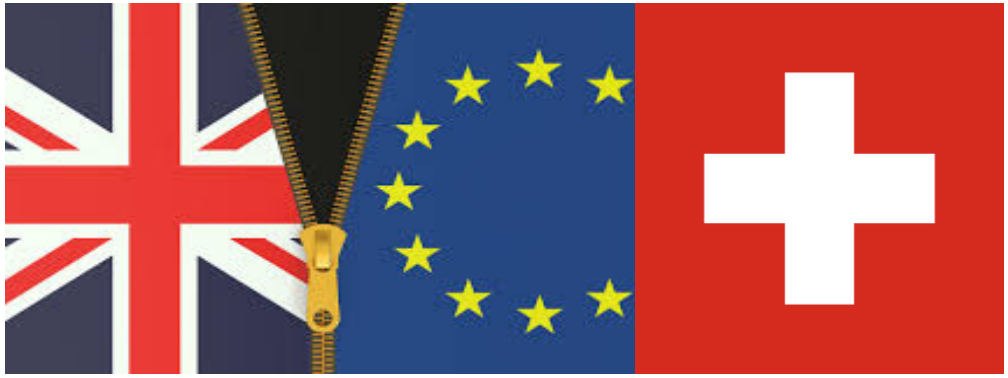
Embassy of Switzerland in the United Kingdom

British-Swiss Bilateral Relations and how Brexit is affecting them



Dominik Furgler, Ambassador

London, 22 May 2017

Looking back: NHS Lecture on 6 February 2014

British-Swiss Cooperation:
Priorities for the next years

- Political issues
- Financial market and tax issues
- Trade and investment (location) promotion
- Science, innovation, skills
- Culture and Public diplomacy

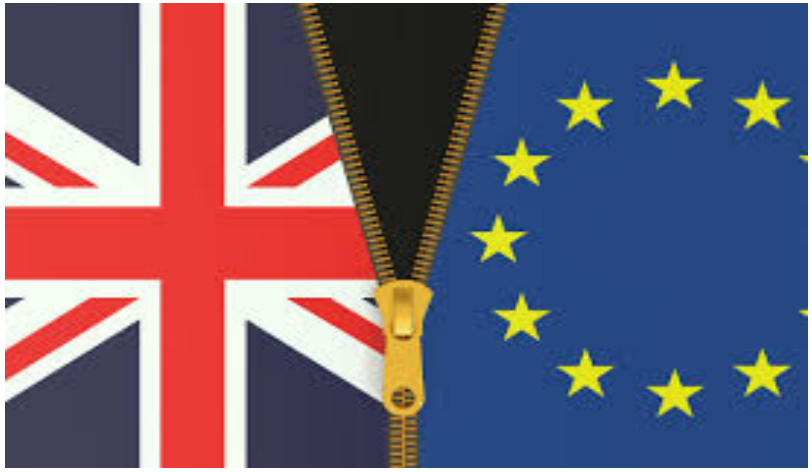
Impressions to date
(6 February 2014)

- Excellent bilateral relations
- Positive image of each other
- No major bilateral problems, tax issues being the one issue of serious bilateral concern
- A lot of common interests
- Another relevant issue: EU

“Another relevant issue: EU”
(6 February 2014)

- Particular Swiss interest in the British EU-discussion, its implications for EU and our own relation to the EU
- Happy to explain our position without interfering in British EU-debate
- Defending our interests by explaining Swiss EU-policy to British authorities

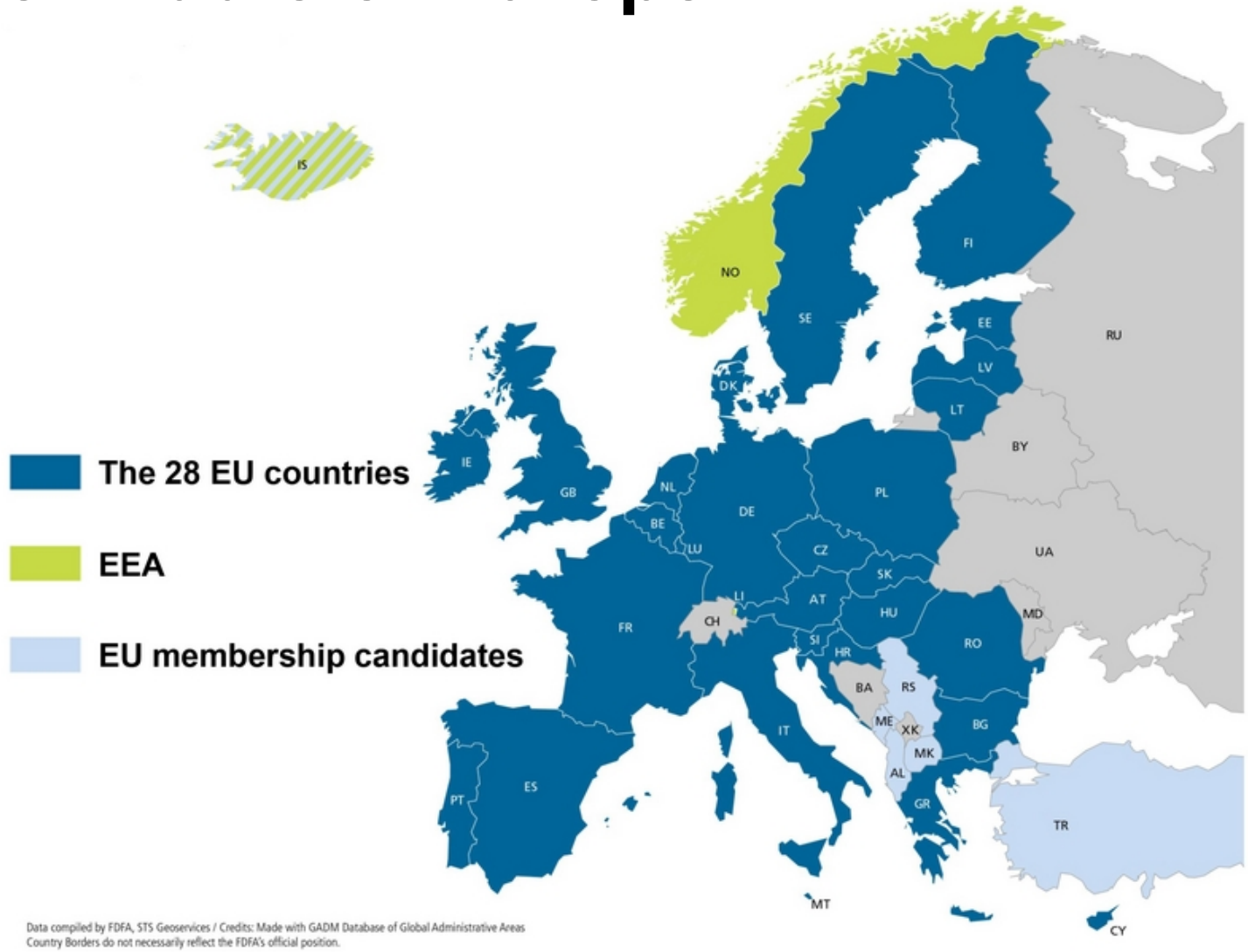
BREXIT



- Top priority for our bilateral relation
- Significantly having an impact on and intensifying the Embassy's work

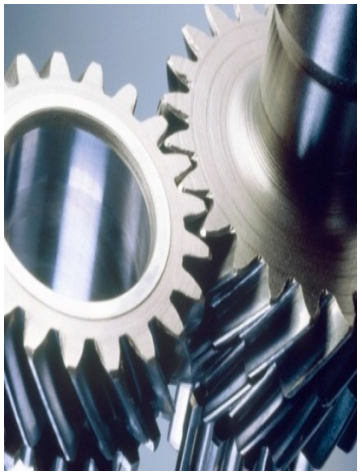
Why …?

No EU member, but in the middle of Europe



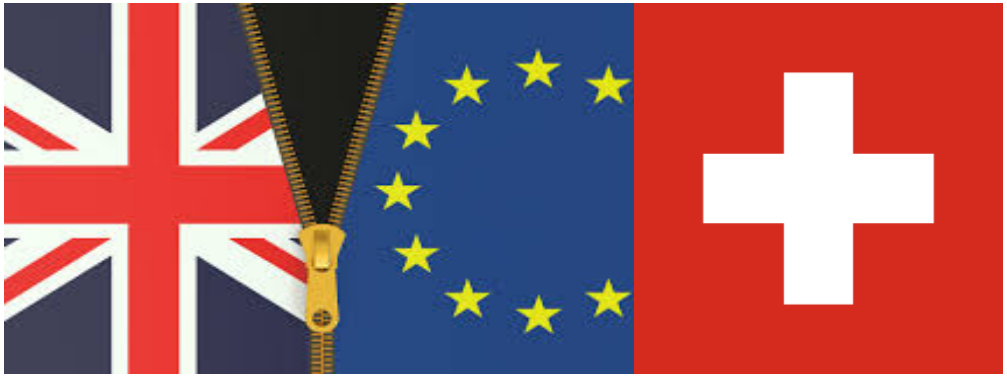
Data compiled by FDFA, STS Geoservices / Credits: Made with GADM Database of Global Administrative Areas
Country Borders do not necessarily reflect the FDFA's official position.

A few numbers



- Trade in goods: 4th partner of EU
- Including services: 2nd after USA
- Trade surplus EU £40bn
- 1.3mln EU citizens in Switzerland (16%)
- 300.000 EU cross-border workers
- > 120 agreements incl. Schengen/Dublin and Free Movement of Persons

More than 120 agreements CH-EU



BREXIT

= agreements no longer apply to UK

= we have serious legal gaps

= we have to act to avoid these gaps

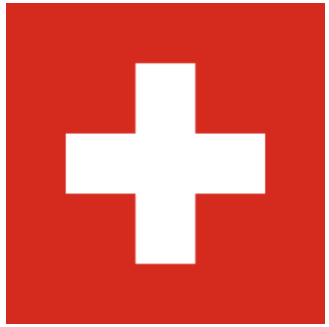
Main agreements concerned

- Free trade
- Abolition trade barriers (mutual recognition)
- Public Procurement
- Research Cooperation
- Overland Transport
- Air Transport
- Free Movement of Persons

Main agreements concerned (cont.)

- Environment cooperation (agency)
- Taxation of savings income
- Fight against fraud
- Schengen/Dublin – also relevant with regard to cooperation with UK

CRISIS
STOP



Mind the gap strategy

Avoid the cliff edge strategy

A top priority for Switzerland

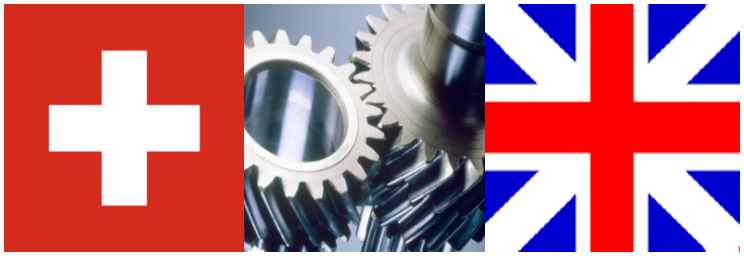
A priority also for the UK?

UK has serious constraints

- Resources
- Sheer immensity of challenges
- Lack of expertise in different areas
- Uncertainties about negotiation process with EU and outcome

But UK acknowledging need and will to make "avoiding the gap" with Switzerland a priority

A strong bilateral Interconnection



- > 150 daily flights CH-UK-CH
- 34’000 CH-citizens in UK (registered)
- 42’000 UK-citizens in CH
- CH is UK’s 2nd largest non-EU services export market (globally number 5)
- CH is UK’s 3rd largest non-EU export market
- > 80% of UK’s exports to countries having a FTA with EU go to Switzerland+South Korea!

The Swiss “Mind the gap strategy”

- **Avoiding legal gaps the day the UK is leaving the European Union**
- by negotiating appropriate replacements for the existing Swiss-EU agreements
- plus: where possible extend our bilateral cooperation to additional new fields of common interest

Main issues concerned

- **Trade** Free Trade
  Technical Obstacles
  Public Procurement
  Agriculture + veterinary affaires
  Customs facilitation + security

- **Services** Air services (scheduled flights)
  Land traffic (road, rail)
  Insurance
  EU equivalence decisions

Main issues concerned (cont.)

Migration

- acquired rights
- coordination social services
- recognition professional qualifications
- future migration regime

Main issues concerned (cont.)

Cooperation

- Research
- Schengen (police and judicial cooperation)
- fight against fraud
- Automatic Exchange of information

Process

1) Awareness raising – completed
2) First sectorial exploratory talks - done
3) Agreeing on common goals and road map
4) Exploration => negotiation => agreements
5) Ratification process on both sides
6) Coming into force when UK leaves EU
7) Where needed: transition agreements

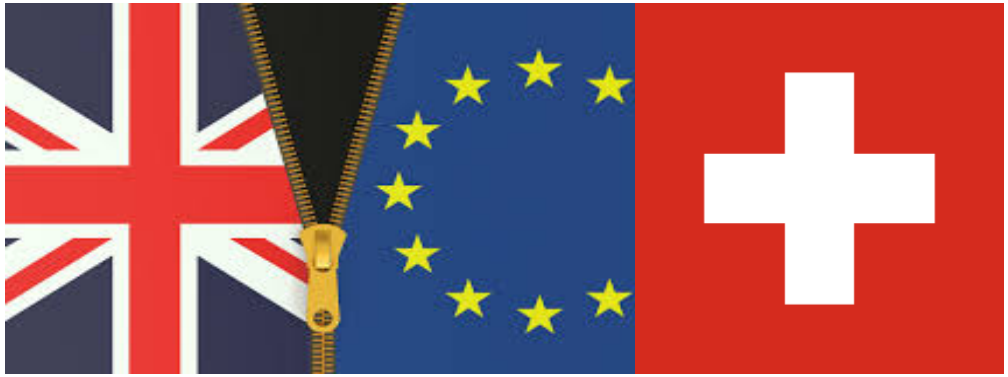
Priority for Swiss living in the UK

Migration issues / free movement

- goal of acquired rights obvious
- but not what UK+EU will agree
- and how UK wants “to take back control over immigration”
- exploratory talks have begun

=> consult our Webpage regularly

Thank you!



Q & A