

Erosion Monitor #3

Report on the Status of Bilateral Relations between Switzerland and the EU

Part 3 of Avenir Suisse's Erosion Monitor on the status of bilateral relations between Switzerland and the EU focuses on northwestern Switzerland. This is a region of great economic importance for Switzerland which is closely intertwined with the EU internal market and therefore particularly hard hit by any erosion of bilateral relations. In a short legal opinion, Professor Dr. Urs Saxer and Dr. Daniela Kühne from the University of Zurich analyze the cantons' legal room to maneuver in terms of foreign policy. They call for the legislation to be adapted to boost the canton's involvement in federal foreign economic policy and European policy in general.

Since the last edition of the Erosion Monitor, the barriers to Swiss companies' participation in the EU internal market have become even higher. Particularly worthy of mention is a deterioration in the situation for manufacturers of diagnostic products because of a failure to update the agreement on technical Barriers to trade (MRA).

AG, BL, BS, JU, and SO hard hit

The five cantons of northwestern Switzerland – Aargau, Basel-Landschaft, Basel-Stadt, Jura, and Solothurn – are particularly hard hit by the erosion. For these cantons, cooperation on research, mutual recognition in relation to conformity assessment (governed in the MRA), and the free movement of persons are especially important.

The region's research institutions are feeling the severe negative effects of exclusion from the Horizon Europe research program, while local companies are having to contend not only with new hurdles in the diagnostics business, but also (for some time already) in medical technology. Added to this are regulatory changes that are leaving their mark on companies involved in mechanical engineering and construction materials.

Give the Cantons a Greater Say

In addition to presenting statistics on the subject, the latest study also makes firm proposals as to how to increase the cantons' involvement in important decisions relating to foreign economic policy.

These proposals are based on an expert legal opinion by Professor Dr. Urs Saxer and Dr. Daniela Kühne at the University of Zurich's Institute for International Law and Comparative Constitutional Law. The research team recommends a revision of the federal legislation governing the cantons' participation in federal foreign policy (BGMK/LFPC). Because the federal government's decisions on foreign policy increasingly impinge on the responsibilities of the cantons, according to the international law experts there is an urgent need to increasingly take account of the cantons' interests. They believe, for example, that the federal government should only be permitted to deviate from a cantonal position if there are overriding reasons. According to the authors of the opinion, a national institution responsible for involving and coordinating the cantons in foreign policy could be considered.

Publication: "Erosionsmonitor #3. Report zum Stand des bilateralen Verhältnisses Schweiz-EU – Schwerpunkt Nordwestschweiz". Teresa Hug Alonso, Luca Fluri, Jan Averkin, Patrick Dümmler, and Peter Grünenfelder. 70 pages, [available online from 6.00am at www.avenir-suisse.ch](http://www.avenir-suisse.ch).

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