

Switzerland

The Federal Council waves through framework agreements 2.0 with the EU

Is the Federal Council squandering its most precious asset?

- Switzerland's most precious asset is the voters' trust in the federal government. The Federal Council is acting by waving through the framework agreements with the EU according to the principle "press on regardless".
- This agreement forces Switzerland to adopt laws "made in Brussels" unreflected – or to take into account sanctions. For the economy, this means preparing for more bureaucracy.
- *autonomiesuisse* calls upon Parliament and people to save the Swiss success model, and upon the Federal Council to listen more to the citizens of Switzerland than to the bureaucrats in Brussels.

Laws "made in Brussels" instead of Bern

The EU has never made any secret of the fact that it wants to integrate Switzerland institutionally. The Federal Council's adoption of the framework agreements 2.0 has brought this objective closer by a big step.

As a result, Switzerland submits itself to EU procedures and structures. It is compelled to adopt European law dynamically, be monitored by the European Commission and, in the event of any disputes, the *Court of Justice of the European Union* (CJEU) has a monopoly on interpretation.

Every day, on average, a new piece of legislation is drafted in Brussels. And whatever bureaucrats come up with, Switzerland is obliged to implement it if the EU deems it "relevant to the internal market". If Parliament or the electorate reject the law in question, the EU will retaliate. In so doing, it is free to choose in which of the treaties it wishes to impose sanctions. Moreover, a sword of Damocles hangs over all Swiss popular votes. The CJEU can declare them "incompatible with the internal market" and overturn them.

Institutionalisation of pin pricks

It is no longer the people, but the CJEU that has the final say. Switzerland can object to the jurisprudence, but then it has to account for sanc-

Who are we?



autonomiessuisse is a broad-based initiative supported by Swiss entrepreneurs and leading figures from the economy from the political centre. It is committed to a partnership-based economic cooperation with countries in the EU, but also throughout the world. Political independence provides Switzerland with excellent economic and social framework conditions. The resulting Swiss success model must remain viable in the future too.

autonomiessuisse has some 900 members. Join us at autonomiessuisse.ch/mitmachen to participate and contribute to an open, successful and free Switzerland.

tions from the European Commission. If the EU has been harassing us up to now with sporadic pin pricks, it can now officially wield a hammer.

Such behaviour, true to the motto "And if you're not willing, then force I will employ" (to quote Goethe), is contrary to the Swiss concept of democracy. The Framework agreements not only delegate legislation to Brussels, but they also torpedo legal certainty and direct democracy.

Confidence in the state is waning

It is telling that the Federal Council attaches more importance to the peripheral vested interests of a few large corporations headed by expatriates than to the direct democracy that has developed over more than 150 years. But what is even more worrying is that the Federal Council seems to be ignoring the mood of the population. Indeed, it threatens to squander its most precious asset – the trust of the people – by burying its head in the sand.

According to an OECD study (2024), in an international comparison the Swiss population has the highest level of trust in the state. But their confidence in the Federal Council has been eroding since the coronavirus pandemic, as current figures from the *gfs.bern research institute* show. With its latest decision, the Federal Council itself is accelerating this trend.

EU nostalgia: the Federal Council looks back rather than forward!

As an entrepreneurial movement, *autonomiesuisse* remains convinced that Switzerland does not need a framework agreement. Firstly, Switzerland has enjoyed a free trade agreement with the EU since 1971. Secondly, nations such as China and the USA export at least as successful as Switzerland to the “EU internal market” without any agreements. The most important factors for export success are not contracts, but innovative products and services.

If a management consultancy were to assess the Federal Council and its administration, it would undoubtedly diagnose that they have not evolved since the 1990s. Back then, Germany was seen as Europe’s economic powerhouse, and France as the “Grande Nation”. For Switzerland, the EU was the main export market. *Tempi passati*. Today, Germany and France are most talked about for their accumulated debts and sclerotic structures.

How long will Switzerland remain in the top league?

The USA is now Switzerland’s main trading partner, ahead of Germany. Most economic growth is taking place outside Europe. Switzerland can still offer attractive framework conditions, but if it were to align itself with the bureaucracy of Brussels, these could quickly erode. High-tech companies, such as *OpenAI* and *Anthropic*, would no longer be based in Zurich. Therefore, in the medium term, framework agreements are detrimental to the economy. Switzerland, a world champion in innovation, cannot throw its successful model overboard for the sake of a few export documents.

In the political debate, it is striking to note that those in favour of joining the EU hardly put forward any arguments but rather evoke feelings (“Switzerland is at the heart of Europe”, “We form a community of values”, “Treaties with the EU are eroding”).

Solid ties: 120 treaties with the EU

When asked for hard facts, EU supporters are content to refer to Britain’s Brexit, which has resulted in nothing but losers. However, bear in mind that this kind of analysis always comes from EU supporters. What’s more, the comparison is flawed: unlike Great Britain, Switzerland has 120 existing agreements with the EU, which benefit both parties. The EU regularly achieves a

trade surplus with Switzerland. No one is counting on the termination of current agreements with the EU. For the EU, this would mean shooting itself in the foot. Anyone who thinks entrepreneurially looks hard at the facts: Even isolated concessions, such as a safeguard clause for the free movement of persons, do nothing to change the fact that Switzerland is undermining its model of success by signing the framework agreements.

The people must change the course

According to *autonomiesuisse*, the framework agreements 2.0 should be subject to a referendum on international treaties. Any agreement that so profoundly affects Switzerland’s structures requires a double majority – that of the people and that of the cantons. It is now up to Parliament and the people to loosen the sling with which the Federal Council wants to chain us to the rolling ship named EU.

Every improvement in the internal rules of the game brings more benefits to the Swiss economy than new EU directives. Supply issues such as electricity supply are also the essential responsibility of the state. To stay ahead of the market, Switzerland must therefore improve its framework conditions. It cannot delegate them to foreign officials. The *sine qua non* for Switzerland’s success therefore remains what it has been fighting for over 700 years: its independence.

autonomiesuisse represents the interests of companies that are producing in Switzerland and wish to maintain and create jobs here. From this perspective, it will be closely examining the contracts due to be published in spring 2025.

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(Translation “Swiss Standpoint”)

Contact

The steering committee of the *autonomiesuisse* co-presidency is at your disposal for any information you may require on the Switzerland-EU framework agreement from an economic and business point of view.

Hans-Jörg Bertschi, +41 79 330 50 72,
hans-joerg.bertschi@bertschi.com

Prof. *Giorgio Behr*, +41 79 430 44 21,
giorgio@behr.ch

Alexandra Janssen, +41 79 725 95 26,
alexandra.janssen@ecofin.ch

Hans-Peter Zehnder, +41 79 330 58 08,
hans-peter.zehnder@zehndergroup.com