

Release of the Swiss cohesion contribution - a step in the right direction

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At a glance

The release of the cohesion funds for specific EU member states by the Swiss parliament is welcomed by the business community. This will enable the beneficiary EU members to launch important projects intended to reduce economic and social disparities and in the area of migration, which are also in Switzerland's interest. However, the release is also a prerequisite for the early start of negotiations on Swiss participation in the European research programme Horizon Europe.

Swiss business is pleased to note that the two chambers of Swiss parliament have released the second cohesion contribution of 1.3 billion Swiss francs (1.2 billion euros) without any further conditions. Already in 2019, Parliament had approved the cohesion contribution but made the payment conditional on the EU refraining from discriminatory measures, such as the disqualification of equivalence of the Swiss stock exchange regulation. After the unilateral breakdown of the treaty negotiations on an institutional framework with the EU, the Swiss government wanted to smooth the waters. It therefore proposed to parliament that the cohesion contribution be released without conditions. On its last day of session, the Swiss Parliament has complied with this wish.

The projects financed by Switzerland and managed in cooperation with the beneficiary countries are to flow primarily into vocational education and training, where Switzerland can contribute additionally through its profound expertise. The high quality of Swiss vocational education and training was demonstrated at the European Skills Championships in Graz last week. In 14 of 16 competitions, where young Swiss professionals participated, they were among the top three, and Swiss participants won gold in six of them. In addition, the second cohesion contribution will support projects in EU member states particularly affected by migration. Switzerland benefits from this engagement by improving migration management in Europe.

However, the release of the cohesion funds is also a signal from Switzerland to the EU to swiftly normalise relations, which have been clouded by the breakdown of negotiations in May of this year. The business community now expects negotiations for Switzerland's association to Horizon Europe to be imminent.

In addition, Swiss Parliament is asking the Federal Council to present a funding message for Switzerland's participation in the European student exchange programme Erasmus+ in the coming winter session. This demand is supported in principle by the business community because it allows Swiss students to broaden their knowledge horizons and offers them an international perspective.



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