

Plugging gaps and building bridges

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With Brexit, many of the legal bases that previously governed the relationship between Switzerland and the United Kingdom are no longer applicable. The two countries quickly had to negotiate replacement solutions, covering matters ranging from trade and air traffic rights to the status of emigrants. Switzerland now wishes to harness this momentum to strengthen ties with the United Kingdom.

The sun was shining brightly, yet a storm was breaking over Europe. Standing before the famous door of his London residence, Prime Minister David Cameron was visibly moved as he accepted that his country was to leave the EU – and at the same time announced that he was resigning from office. In Brussels, the President of the European Council, Donald Tusk, warned against reacting hysterically to the British people's decision of the previous day. Meanwhile, on this early summer morning of 24 June 2016, journalists were gathering at a hastily called press conference in Bern. The President of the Swiss Confederation, Johann Schneider-Ammann, announced that relations between Switzerland and the United Kingdom (UK) would have to find a new basis. He thus kicked off one of Switzerland's most significant foreign policy projects of recent years.

Motto: «Mind the gap!»

For Switzerland, the outcome of the British referendum meant that its dense network of agreements with the EU would cease to apply to the UK. In October 2016, not long after the vote, the Federal Council therefore set itself the goal of plugging the gaps that Brexit threatened to open up. Where feasible and sensible, existing rights and obligations should remain beyond the UK's withdrawal from the EU. Taking inspiration from the warning familiar to passengers on the London Underground, the Swiss government called its plan the 'Mind the Gap' strategy. The widespread agreement was that relations with the UK must not be allowed to crumble away. After all, the UK is Switzerland's sixth-largest trading partner. Around 40,000 Swiss nationals live in the UK, and an even larger number of Britons live in Switzerland. Furthermore, before the pandemic, there were about 150 flights between the two countries each day.

Apart from the Federal Department of Defence, Civil Protection and Sport (DDPS), every Swiss government department is in charge of agreements with the EU for which solutions had to be found because of Brexit. In order to ensure consistency, the Federal Council set up an interdepartmental steering group led by the Federal Department of Foreign Affairs (FDFA). Focused action was also needed for other reasons. On 29 March 2017, a tight two-year withdrawal deadline was triggered between the UK and the EU. As the clock ticked, it was largely unclear what the future relationship between London and Brussels would look like. However, that would influence the decisions shaping the new Swiss-British rules.

In the circumstances, the most efficient solution was to replicate the existing agreements between Switzerland and the EU and apply them to the Swiss—British context without, for the time being, making major changes. For example the Trade Agreement (SR 0.946.293.671) signed on 11 February 2019 echoes a series of agreements with the EU on economic and trade matters, among them the now rather dated Free Trade Agreement of 1972. A similar procedure was used in other areas. As regards migration, Switzerland's priority was to safeguard the rights that Swiss and British nationals had acquired in the other country under



the Agreement on the free movement of persons (<u>Citizens' Rights Agreement</u> [SR 0.142.113.672]; see also Fréchelin, Kati (2021). Citizens' Rights Agreement: protecting the rights acquired under the Agreement on the free movement of persons. *Soziale Sicherheit CHSS*).

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When the moment of truth finally arrived at midnight on 31 December 2020, Switzerland was well prepared. Following the repeated postponement of the withdrawal date, following a formal Brexit date of 31 January 2020 and an 11-month transition period, this marked the point at which the agreements between Switzerland and the EU ceased to apply in relation to the UK. By then, six new agreements were ready – in addition to the Trade Agreement and the Citizens' Rights Agreement, these covered <u>air transport</u> (SR 0.748.127.193.67), <u>road transport</u> (SR 0.741.619.367), <u>insurance</u> (SR 0.961.367) and <u>services mobility</u> (BBI 2021 1777; domestic procedures pending). Further agreements (including the new <u>social security convention</u>) were to follow swiftly. Multilateral or unilateral solutions were available in other areas, including the automatic exchange of information and data protection.

Overall, it was possible to safeguard the majority of rights and obligations. Thus, the 'Mind the Gap' strategy was successful. However, a few loose ends remained. Although the UK's departure from the EU was 'orderly', i.e. a Withdrawal Agreement (OJ 2020 L 29/7) and a Trade and Cooperation Agreement (OJ 2021 L 149/10) were in place, it was nevertheless a 'hard' Brexit, since it left the UK outside the EU's single market. This has consequences for Switzerland with its sectoral access to the single market. Among other things, the free movement of persons and trade facilitation based on legal harmonisation have lapsed. Instead, Switzerland and the UK are now seeking to build new bridges. For example, an update of the Trade Agreement is being considered, while in the area of financial services, Switzerland and the UK – both major financial centres – are endeavouring to reach an ambitious and wide-ranging agreement.

Plans like these go well beyond safeguarding the rights and obligations that previously existed. However, it has always been the Federal Council's intention to strengthen relations with the UK beyond Brexit. In the five years or so since that memorable day in the early summer of 2016, the two countries have been working hard to remodel their relationship: the next task is to build up on the foundation of what has already been achieved.