



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 5 May 2008

8681/08

**CH 23
FIN 158
ECO 49
FISC 40
FC 1
FSTR 6**

"I/A" ITEM NOTE

from : Working Party on European Free Trade Association (EFTA)
to : COREPER (PART 2) / COUNCIL

Subject : Conclusions of the Council and of the Representatives of the Governments of the Member States meeting within the Council on an Addendum to the Memorandum of Understanding between the President of the Council of the European Union and the Swiss Federal Council of 27 February 2006
(Swiss Financial Contribution for the benefit of the Republic of Bulgaria and Romania)

1. At the EU - Swiss summit meeting on 19 May 2004, the Swiss Confederation confirmed its intention on a Swiss Financial Contribution to the EU, within the framework of the package of a number of bilateral Agreements under negotiations. The Council accepted this contribution as a part of an overall compromise leading to the conclusion of a large negotiation round which covered nine sectoral Agreements.¹

¹ The Conclusions of this Summit meeting can be found in Doc. ST 9544/04 AELE 12 CH 8 ECOFIN 181 FISC 108 JAI 152 MI 165 LIMITE.

2. In this context, following the adoption by common accord of the respective Conclusions by the Council and by the Representatives of the Governments of the Member States meeting within the Council,² a Memorandum of Understanding (MoU) was signed on 27 February 2006 between the President of the Council of the European Union and the Swiss Federal Council on a Swiss Financial Contribution to the 2004 EU enlargement Members States.

3. In view of the accession of the Republic of Bulgaria and Romania to the EU, and taking note of the wish of Bulgaria and Romania to benefit from a Swiss Financial Contribution such as the one envisaged in the 2006 MoU, and to have it established on the same basis as for the beneficiaries EU Member States mentioned in it, on 20 December 2006 the Council and the Representatives of the Governments of the Member States meeting within the Council charged the President of the Council, assisted by the Commission, to engage in the necessary discussions with the Swiss Federal Council in order to have the 2006 MoU adapted in this sense as soon as possible.³

4. Following these discussions with the Swiss side, the Presidency submitted the draft Conclusions of the Council and of the Representatives of the Governments of the Member States meeting within the Council, as set out in the Annex to this note, to the EFTA Working Party. The EFTA Working Party having completed its examination at its meeting on 22 April 2008, it is suggested that the Permanent Representatives Committee invite the Council and the Representatives of the Governments of the Member States meeting with the Council to adopt as an "A" item the draft Conclusions as set out in the Annex to this note.

² Doc. ST 6283/06 CH 9 FIN 54 ECO 16 FISC 29 JAI 53 ENV 76 SOC 67 PI 14.

³ Doc. ST 16087/06 CH 53 FIN 623 ECO 190 FISC 154 FC 37 FSTR 83 OC 975
RESTREINT UE.

CONCLUSIONS OF THE COUNCIL AND OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES MEETING WITHIN THE COUNCIL

The Council of the European Union and the Representatives of the Governments of the Member States meeting within the Council:

1. recall their conclusions of 27 February 2006 relating to the Memorandum of Understanding annexed thereto which envisaged a Swiss financial contribution for the benefit of the Member States which acceded to the European Union in 2004, and note the signature of the individual Framework Agreements between the Swiss Federal Council and the Governments of the EU Member States concerned on 20 December 2007;
2. recall their conclusions of December 2006 in which they charged the President, assisted by the Commission, to engage in the necessary discussions with the Swiss Federal Council in order to have the Memorandum of Understanding adapted to take account of the accession of Bulgaria and Romania to the EU;
3. take note with satisfaction that these discussions have been successfully concluded; and that the Swiss Federal Council intends to propose to the Swiss Parliament the adoption of an addition fund of 257 million Swiss francs for a contribution to Bulgaria and Romania, according to the guidelines set out in the attached Addendum to the Memorandum of Understanding of 27 February 2006;
4. invite Bulgaria and Romania, in the context of the Memorandum of Understanding, as adapted by the Addendum set out in the attached annex, to conclude bilateral arrangements with the Swiss Confederation on the modalities of the financial contribution in question;
5. charge the President of the Council to sign the Addendum to the Memorandum of Understanding with the authorities of the Swiss Federal Council as set out in the attached annex;

6. confirm that the Commission is mandated, within the context of the above bilateral arrangements and the Memorandum of Understanding, as adapted by the Addendum in the attached annex, to manage information, co-ordination and follow-up tasks and note the agreement of the Commission in this regard, which the Commission has wished to confirm by signing the Addendum to the Memorandum of Understanding.

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ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING
BETWEEN THE PRESIDENT OF THE COUNCIL OF THE EUROPEAN UNION
AND THE SWISS FEDERAL COUNCIL
OF 27 FEBRUARY 2006

The Memorandum of Understanding between the President of the Council of the European Union and the Swiss Federal Council of 27 February 2006 is adapted in order to take into account the accession of the Republic of Bulgaria and Romania to the European Union:

1. The additional Swiss contribution

In addition to the contribution set out in point 1 of the Memorandum of Understanding, the Federal Council will negotiate with the Republic of Bulgaria and Romania agreements on the arrangements for a Swiss contribution of 257 million Swiss francs over a period of five years starting from the approval of these funds by the Swiss Parliament.

2. Breakdown of the additional Swiss contribution

Republic of Bulgaria	76.000.000 CHF
Romania	181.000.000 CHF

3. Implementation of the additional Swiss contribution

As regards point 8 of the Memorandum of Understanding, the Federal Council will propose that the Swiss Parliament approve additional funding amounting to 257 million Swiss francs for the implementation of the Swiss contribution to the Republic of Bulgaria and to Romania, to start in 2009.

4. Other guidelines

The other guidelines set out in the Memorandum of Understanding and its Annex apply *mutatis mutandis*.

For the Swiss Federal Council

For the Presidency of the
Council of the European Union

Date

For the European Commission