

Much effort in leaving the common market

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The departure of the United Kingdom from the EU and from the common market, to which Switzerland also has sectoral access, resulted in a considerable need for regulation. In the sensitive area of social security, the focus was on systematically implementing the Federal Council's Mind the Gap strategy avoiding gaps or major changes in the main principles and procedures. In addition, efforts were made to achieve at least the same level of protection as provided by the newly designed relationship between the EU and the United Kingdom.

As the outcome of the negotiations between Brussels and London was uncertain, Switzerland had to work with various scenarios and act flexibly.

To cover the eventuality that the British leave the EU without a withdrawal agreement, Switzerland had to conclude a transitional agreement with the United Kingdom. This would have meant that the coordination rules on social security comprised in the <u>Agreement on the free movement of persons between Switzerland and the EU</u> (FMOPA, SR 0.142.112.681; Annex II) would have continued to apply between Switzerland and the United Kingdom. Since the <u>Withdrawal Agreement between the EU and the United Kingdom</u> (OJ 2020 L 29/7) was approved at the eleventh hour, the transitional agreement was never applied. Thanks to a transitional period provided for in the Withdrawal Agreement, the provisions of the FMOPA continued to apply unchanged until the end of 2020.

For the time thereafter, it was necessary to preserve the legal positions that pertained under the FMOPA and protect the rights acquired thereby. Alongside the Withdrawal Agreement between the EU and the United Kingdom, a bilateral <u>Citizens' Rights Agreement</u> (SR 0.142.113.672) was concluded in time and has been in force since 1 January 2021. This transitional law is extremely complex and challenging to implement. Furthermore, its provisions on social security had to be extended to cover EU nationals and cross-border situations relating to EU countries (triangulation), which required a Decision from the Joint Committee FMOPA.

The conclusion of an agreement concerning future relations between Switzerland and the United Kingdom was delayed because the United Kingdom and the EU were only able to agree on a new agreement at the last moment. Therefore, the suspended billateral Social security convention between Switzerland and the United Kingdom of 1968 (SR 0.831.109.367.1) had to be temporarily re-applied. The new Social security convention was signed on 9 September 2021 and is provisionally applicable from 1 November 2021. As soon as the parliaments of both states have approved it, it will definitively enter into force. The convention largely follows the rules of EU law in terms of principles and procedures as they were applicable before the UK left the EU. The provisions have been slimmed down and tailored to the needs of the two states.

In the wake of Brexit, Switzerland had no choice but to close the gaps in the area of social insurance however it could, while limiting the drawbacks for insured persons, companies and the implementing agencies. This generated an enormous amount of work. The onerous task could only be completed because of the exemplary cooperation between the Swiss and British sides. As a result, the legal relationship that existed between Switzerland and the United Kingdom before Brexit has largely been restored, but on a bilateral footing.