

**REGIERUNG** DES FÜRSTENTUMS LIECHTENSTEIN

MINISTERIUM FÜR PRÄSIDIALES UND FINANZEN

### Rede von Regierungschef Dr. Daniel Risch

anlässlich des

**EU-Ambassadors Heads of Missions Meeting** 9. November 2022

- es gilt das gesprochene Wort –

### **Excellencies**

We are gathered today while adapting to the very sad fact that Czech Ambassador Kateřina Fialková is no longer with us. We have lost a fine person, a wonderful colleague, a dear friend and an outstanding diplomat very much dedicated to her tasks. Kateřina Fialková put a great amount of work and passion into the relations between the Czech Republic and Liechtenstein and was very much interested in topics concerning the diplomatic ties between both countries. We miss having her among us today.

I've been told that it would have been in her spirit that we are here today to come together and exchange views. I would like to take this occasion to ask you to stand for a minute of silence for Kateřina.

It is most of all thanks to her great commitment that I am able to be here as a guest with you today. And precisely because Kateřina Fialková also valued and supported the European community, I am happy to speak about Liechtenstein and its relations with Europe. I do this in memory of a great diplomat and also a friend of our country.

# Introduction: Historic and symbolic founding summit of the European Political Community

Just a few weeks ago, on the 6th of October 2022, the European Heads of State and Government sent a strong signal of unity. They met for the founding summit of the European Political Community (EPC) in Prague. The location could not have been better chosen for this historic moment of European solidarity and commitment to shared values. Prague is located in the heart of Europe – between East and West, between North and South. Also historically speaking, this was the perfect location for the summit. Throughout the city's history, Prague has always managed to symbolise solidarity and bring opposites together. An exciting example of this is how, almost exactly 100 years ago, the city of Prague merged with the surrounding towns, creating the new Greater Prague.

This example fits very well when we talk about Europe and how the individual countries are integrating themselves into a common Europe. It is therefore not merely symbolic that the founding summit took place in Prague. The feeling of European unity and solidarity was indeed palpable. As one of the more than 40 Heads of State and Government who attended this summit, this made a personal impression on me and filled me with confidence. Talking about unity and solidarity is one thing – actually feeling it is another entirely. This also gives courage for the future, because the current challenges can be overcome with cooperation, and **only** with cooperation, among all European countries.

In light of the Czech EU Presidency, I will begin my remarks with the relations between the Czech Republic and Liechtenstein.

Because when we take a look at these historical connections, we are also taking a look at Europe.

## Main part: I. Liechtenstein and the Czech Republic: Shared past since the 13th century

Liechtenstein and the Czech Republic share a common past that dates back to the 13th century. A shared history with potential. On the occasion of the 300th anniversary of Liechtenstein in 2019, Liechtenstein initiated a trip for anyone interested in following in the footsteps of the Reigning Princes of Liechtenstein and in discovering the origins of our country. This extraordinarily interesting trip with a focus on the Princely House of Liechtenstein led in the footsteps of the Reigning Princes from Vienna via the Czech Republic to Liechtenstein. In the Czech Republic, the programme included a visit to the Lednice-Valtice Cultural Landscape in Moravia, a UNESCO World Heritage Site. The two castles of Lednice and Valtice are considered to be the ancestral castles of the Princes of Liechtenstein.

Unfortunately, the shared history of Liechtenstein and the Czech Republic is still overshadowed by what happened after the Second World War. In 1945, Czechoslovakia confiscated property from citizens of the neutral country of Liechtenstein – the Princely House of Liechtenstein was and continues to be affected as well. Regrettably, this legal dispute is still ongoing.

That we are able to talk about this issue today and are also very concerned about diplomatic relations on both sides is not least of all thanks to the Liechtenstein-Czech Commission of Historians. This commission was founded in 2010 by Liechtenstein and the Czech Republic. It examined the shared history of Bohemia, Moravia and Silesia, Czechoslovakia and the Czech Republic on the one hand, and the Princely House and Principality of Liechtenstein on the other. The primary focus was on the relations between the two countries in the 20th century. The aim was to contribute to a better understanding through an intensive, academic appraisal – resulting in an eight-volume book series on the shared history of the two countries – and to create a basis for future fruitful cooperation, as set out in the project description of the Commission of Historians. With this approach, many fascinating connections and relationships have developed over the past 20 years. Relationships that last until today and make dialogue possible.

For a country like Liechtenstein in the middle of Europe, the dialogue with its neighbouring countries of Switzerland, Austria, and Germany and with all European countries is of the utmost importance. We clearly feel European, and so European integration is a matter of the heart for us.

#### Main part: II. Liechtenstein in Europe: The EEA as a success model

Liechtenstein's situation is unique – also due to its geography, its location between Switzerland and Austria. This means, firstly, that we benefit from good relations with Switzerland, especially thanks to the Customs Treaty, which laid the foundation for the good relationship and close cooperation with Switzerland a hundred years ago. But secondly, it also means that the European Economic Area has opened the gates to Europe for us.

In a popular vote almost exactly 30 years ago, in December 1992, Liechtenstein said yes to joining the European Economic Area, deciding to embark on this path. It was a courageous decision to go its own way, independently of Switzerland, but from today's perspective, success has proven Liechtenstein right.

Since Liechtenstein joined the EEA, its economy has almost doubled, and its population has grown by 30% to 40,000. Similarly, jobs in Liechtenstein have doubled from 21,000 in 1995 to just over 42,000 today. Obviously, this many jobs cannot be filled only by people who live in the country. Liechtenstein is,

accordingly, a regional employer with more than 22,000 cross-border commuters every day.

For all these reasons, it is not surprising that our membership in the EEA is one of the cornerstones and pillars of our competitive and highly exportoriented economy. Our industrial and manufacturing sector in particular accounts for 46% of GDP.

In Liechtenstein, we often like to talk about good "framework conditions" for the economy, meaning that the economy is given a framework to develop. The State tries to take as little as possible, and in return to offer what is needed. We do this in the hope – and with the conviction – that the freedom offered is used for innovation and entrepreneurship.

That the EEA offers very good framework conditions and is in fact viewed positively by the public can be seen in a survey conducted after 25 years of EEA membership: 70% of the country's citizens are satisfied with EEA membership. We also see this as a high level of satisfaction with regard to European integration. We are located in the heart of Europe, and we are wholehearted members of the EEA.

EEA membership does indeed require wholehearted engagement, because of course it does not come for free. The administrative effort is enormous for a State with barely 40,000 inhabitants.

I'll give you a number that's impressive, also to me: As of September 2022, nearly 12,000 EU legal acts are in force in Liechtenstein. And because the EEA Agreement is dynamic, new EU legal acts are constantly being incorporated – about 450 every year. The Liechtenstein Government is firmly committed to the EEA, and it also makes great efforts to fulfil Liechtenstein's EEA and Schengen obligations. Our implementation rate is 99.6%. Not least of all because of this, we are regarded as a reliable and fully fledged partner.

The institutional legal process in the EEA ensures that Liechtenstein is treated equally with the EU Member States. We have the same rights as Germany, for example, and we benefit without restrictions from the four freedoms: Citizens of all EEA States have the right to make use of the free movement of goods, persons, services, and capital.

The EEA is the most far-reaching integration agreement concluded by the European Union. It grants Norway, Iceland, and Liechtenstein equal access to the EU's Single Market with a population of 500 million.

The result is economic success. The EEA is not solely an economic agreement, however; Liechtenstein also participates in a wide range of EU programmes. For example, Erasmus Plus, Digital Europe, the EU Single Market Programme, Creative Europe, and the European Solidarity Corps. This is also one of the success factors, because these programmes make it possible for the EEA to be "experienced" by the public and businesses – they become part of it and can actively participate.

In this context, I would briefly like to mention the EEA Financial Mechanism, yet another cornerstone of Liechtenstein's EEA cooperation.

It underlines our commitment to European solidarity and it is a concrete contribution not only to social and economic cohesion, but also to human rights, democracy, and the rule of law in Europe. We would also like to emphasise that we do not consider our contribution to European cohesion as an entry ticket to the Single Market, which would somehow suggest the notion of one-sided benefits of our membership. Any view to the contrary would incidentally also signify that the withdrawal of the United Kingdom from the internal market and from the European Economic Area should logically lead to a significant reduction in financial contributions to the EEA Financial Mechanism. The UK's withdrawal has led to a considerable reduction of the European Economic Area and to the removal of a particularly important trading partner for EEA states.

The negotiations over a new financial period started in June. We hope for a swift conclusion of the negotiations so that the progress that has been made over the last years is not interrupted by delayed implementation.

I would like to take this occasion to emphasise again: As an EEA Member State, Liechtenstein is not a third country, but rather a privileged partner of the EU. This was also said by EU Council President Donald Tusk on the occasion of the 25th anniversary of the EEA Agreement on the 22nd of March 2019. I am happy to quote him here: "Today we mark the 25th anniversary of the European Economic Area, which has opened up new opportunities and means of cooperation for its now 31 members. Over these years – together with Norway, Iceland and Liechtenstein – we have worked as a family, building a better Europe for all our citizens." *(end of quote)* 

"As a family" – I believe this formulation sums it up very well. A common Europe works, even if the countries are very different and not always of the same opinion – just like a family. Especially the last few years over the course of the Covid-19 pandemic have shown that Europe can stand together and cooperate and that this cooperation also works. This can clearly be put to the test in the current situation: The looming energy crisis and the conflict in Ukraine are major challenges for the European countries that can be managed better together.

## Main part: III. Liechtenstein in Europe: Schengen and Dublin; Integration models work, see Lake Constance region

Issues such as energy, humanitarian aid, and migration are examples that show how a common Europe works in the face of challenges and when overcoming crises. There is another example that crystallises the advantages for Liechtenstein. For me personally, the Schengen area without borders is one of the greatest achievements of our common Europe.

Liechtenstein is an associated member of both Schengen and Dublin. Our Schengen association not only means that our citizens and businesses benefit from a Europe without borders – benefits that are especially clear for Liechtenstein, a country in the centre of the Schengen area where crossborder movements are part of most people's daily lives and with a heavily export-oriented manufacturing sector and financial centre.

It also means that Liechtenstein participates actively in the development of the Schengen area – starting at a technical level with the participation of our relevant experts in the many Schengen-related Working Groups in Brussels up to the participation of our Minister of Home Affairs at the EU Justice and Home Affairs Councils, in particular the new Schengen Councils. We welcome the establishment of this new format along with the other new initiatives to improve the governance of the Schengen area [the Schengen cycle, the Schengen barometer].

As I already mentioned at the outset, Liechtenstein's situation is unique. Our location in the Alps also connects us geographically with the three countries of Switzerland, Austria, and Germany. Especially in the Lake Constance region, we can see what the summit in Prague also showed very clearly: Europe can be strong together, even if the systems differ. We experience three different European integration concepts in the Lake Constance region, and it works very smoothly. Austria and Germany are EU Member States, Switzerland is linked to the European countries through bilateral treaties, while Liechtenstein – as an EEA member – has access to the European Single Market. This synergy can serve as a role model for future cooperation.

#### **Conclusion: Commonalities, same values**

The Principality of Liechtenstein is by virtue of its membership and active role in the European Economic Area firmly anchored in European structures and in the European community of values. Not least because of experiences made in its more than 300-year history, Liechtenstein is well aware of the importance of cooperation, unity, and solidarity amongst like-minded countries in challenging times and continues to be prepared to join forces in the preservation of peace and freedom on our continent.

In conclusion, let me return to the ministerial meeting in Prague. The attending countries demonstrated unity and solidarity. This made a strong impression and conveyed courage. I also have a very positive memory of the words of Czech Prime Minister Fiala. In his opening speech, he referred to the country's national motto: "Pravda vítězí" – *Truth prevails*. "Pravda vítězí" is

also used as a campaign slogan by the Czech President and is enshrined in the Constitution as a national symbol. In these uncertain times, this motto could in general serve as a statement of faith that gives courage and underscores common values. Everything is easier if we stick together and stand together as Europe. Challenges like those we currently face are never solved alone, but rather – as experience has shown – as a community.

At the end of the day, cooperation and in particular European integration are a lot more than pure economics. The challenging times we live in highlight the importance of "shared values and the rule of law". They also show that it is imperative to defend these common principles. Both in words and in actions.

Thank you once again for the invitation to speak here with you today. And in memory of Kateřina Fialková, I would also like to express my sincere gratitude once again to the Czech Embassy in Bern. I know how committed the Ambassador was to Liechtenstein. Many heartfelt thanks.

I will be happy to answer any questions you may have.