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Mutual Recognition Agreement (MRA)

What is it about?

Wherever a product is sold, it must have the correct documentation attesting to its compliance with the regulations of the country concerned. As these regulations can differ from one country to another, verification costs time and money.

This is something both Switzerland and the EU want to make easier. To this end, both parties signed a Mutual Recognition Agreement (MRA). The MRA basically means that a product on the Swiss market may also be sold in the EU, and vice versa. It facilitates and bolsters cross-border production and distribution chains, which also contributes to combating Switzerland's 'high price island' status.

The MRA covers 20 product sectors (such as machinery, medical devices, electrical equipment, building materials, lifts and biocidal products), which is over two-thirds of all Swiss industrial goods exported to the EU. It sets out standardised product regulations and stipulates that the conformity assessment (proof that a product complies with said regulations) only needs to be conducted once – either in Switzerland or the EU. This means that a hip prosthesis or a machine manufactured in Switzerland can be sold directly on the EU market, for example.

Because the regulations for products are evolving all the time, the MRA must be updated on a regular basis. The EU is currently refusing to do so, however, as the institutional issues remain pending. The section on medical devices has therefore not been valid since May 2021, resulting in additional costs for the companies concerned (over CHF 100 million each year according to the medtech sector), a reduction in supply, and the potential relocation of jobs. For Switzerland, maintaining access to the EU's single market for these products covered by the MRA is key – to keep costs low for companies, and to improve long-term planning and legal certainty.

Outcome of exploratory talks and outlook for negotiations

The solution put forward during the exploratory talks provides for the institutional issues to be anchored directly in the MRA. This will ensure that the MRA is updated regularly in future.

The existing exemptions for differing product regulations, which concern hot water boilers and pre-packaging, should also be retained in the MRA.

Although no date has been set for updating the section on medical devices, Switzerland is continuing its efforts to ensure the MRA is updated as soon as possible.