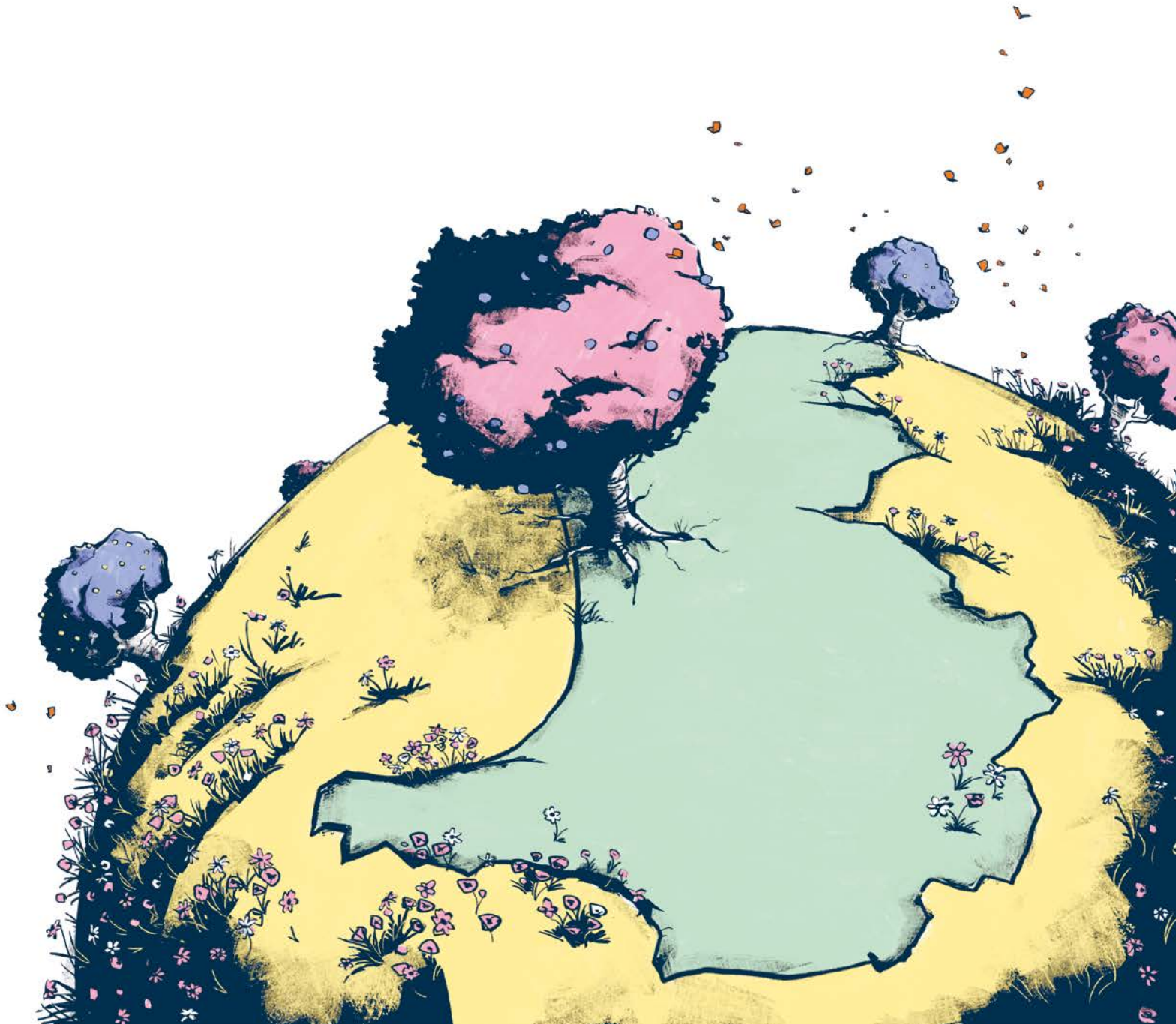


Liechtenstein Foreign Policy  
**reliability** **commitment** **solidarity**





**RELIABILITY** 6

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Dear Readers

Liechtenstein has turned its size into a virtue. For foreign policy, this means that we set priorities and contribute in those areas where we create added value and are able to represent our interests. This prioritisation requires courage – courage to emphasise some topics over others.

Liechtenstein's foreign policy has developed out of our aim to secure the sovereignty and independence of our country.

Given the state of the world, these concerns have not become any less timely. The pillars of our foreign policy have remained constant over the past years: neighbourhood policy, close integration within Europe, and a strong commitment to multilateralism. Liechtenstein is one of the founding members of the OSCE and joined the Council of Europe in 1978. Liechtenstein became a member of the UN in 1990 and of the EEA in 1995. This established the framework for our foreign policy. On this basis, our foreign policy engagement has steadily expanded over the years.

Ultimately, a successful foreign policy must come from within. It must be supported by the people and is thus also a policy of interests. Only if policy makes sense to the public and the business community can we act credibly at the international level.

Especially because the world has changed dramatically in recent years, our action guided by commitment, solidarity, and reliability is so important. We must set priorities where we can make an authentic contribution. One example is our traditional commitment to humanitarian cooperation.

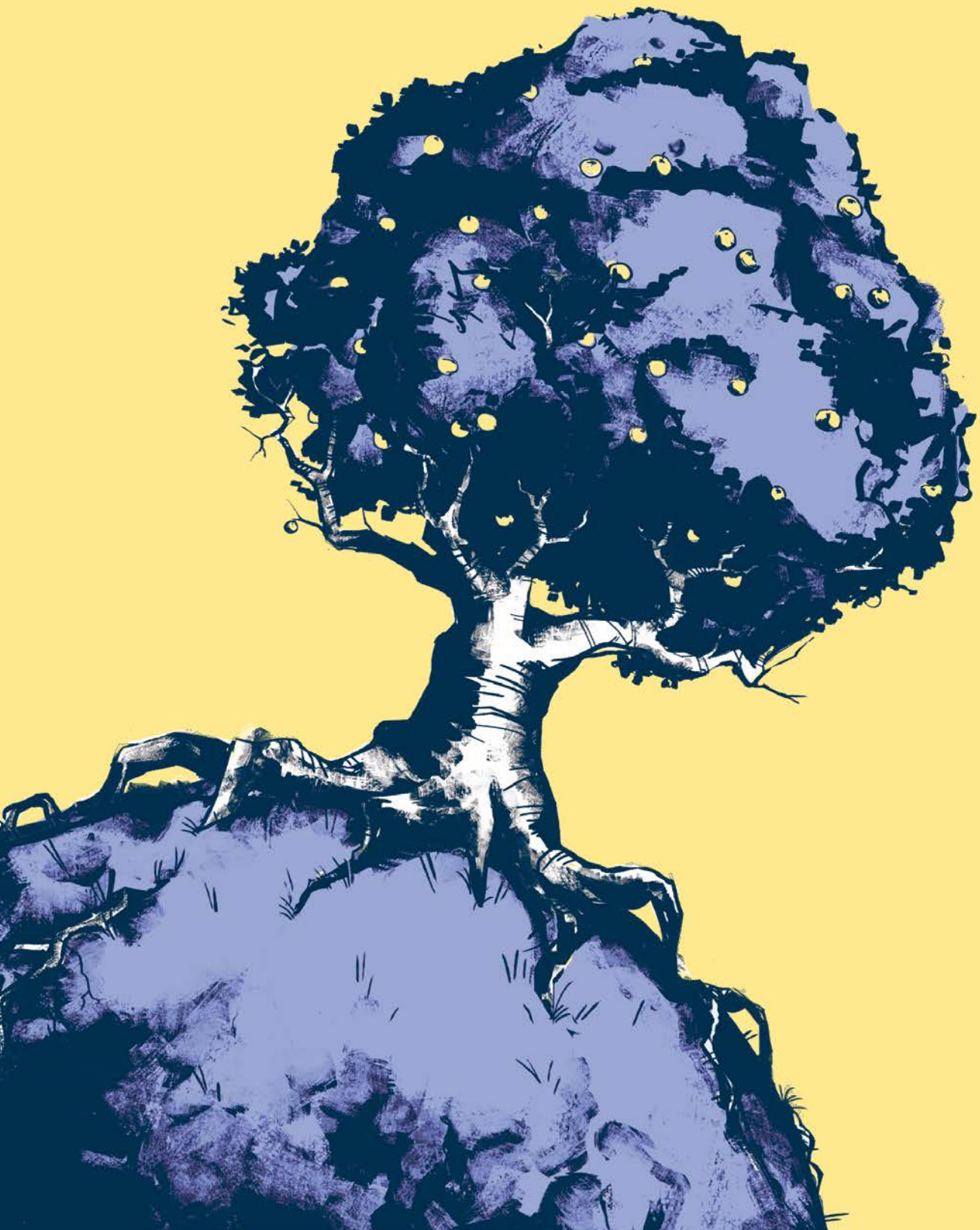
This report aims to convey a clearly understandable picture of where, how, and why Liechtenstein is engaged in foreign policy.

I very much hope that this report inspires you and stimulates critical engagement with our foreign policy. One thing is certain: Foreign policy lives on interactions with people. It means taking responsibility for ourselves and for the world. And foreign policy is not an abstract endeavour – it is a mandate for all of us.

*Yours*

A handwritten signature in black ink, appearing to read 'Aurelia Frick', written in a cursive style.

*Dr. Aurelia Frick  
Minister of Foreign Affairs,  
Education, and Culture*





# reliability

- Close Relations with Switzerland
- Strong Ties with Austria
- Vigorous Economic Exchange with Germany
- Important Bilateral Partners
- Excellent Integration within Europe
- Economic Network

# Close Relations with Switzerland

8

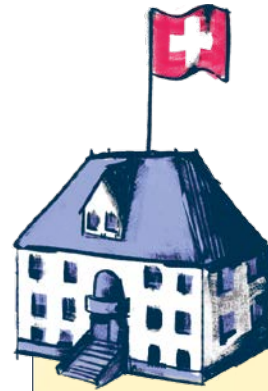
**Since entry into force of the Customs Treaty in 1924, Switzerland has been the most important bilateral partner of Liechtenstein. In the following decades, numerous bilateral agreements were added at the federal level. Today, the total number is 106 – not counting treaties with the neighbouring cantons.**

On the basis of these agreements, Liechtenstein and Switzerland work closely together not only in the economic realm but also in numerous other areas – for instance in education, health, security, agriculture, indirect taxes and duties, and social affairs. Due to the different paths chosen by the two neighbouring countries in regard to relations with the European Union (EU), but also due to other developments, the need to adjust the bilateral agreements often arises, and new opportunities for cooperation also emerge. The close relations between Liechtenstein and Switzerland through the Customs and Currency Union and the open border have

always enjoyed a high level of support in the population.

The close cooperation takes place not only at the bilateral level but also within the framework of multilateral organisations. Over the years, numerous forms of cooperation have developed between Liechtenstein and Switzerland as well as with the other German-speaking countries, based on shared values, respect for human rights, and the rule of law.

The close ties between the two countries are also reflected in the many diplomatic visits and exchanges that take place at the level of the parliaments, the members of the Liechtenstein Government and of the Swiss Federal Council, and at the level of other public officials.



## Consular Representation of Liechtenstein

Because Liechtenstein has only few representations abroad, Switzerland has been responsible for safeguarding the interests of Liechtenstein and its citizens abroad since 1919. In all countries where Liechtenstein does not have its own representation, Liechtenstein citizens receive emergency assistance and advice from the local Swiss embassy or consulate general.





**Commuters and Jobs**

53.3% of all workers in Liechtenstein (19551 of a total of 36680 employed persons as of the end of 2014) are residents of foreign countries. Persons living in Switzerland are the largest group. Liechtenstein is the only neighbouring country of Switzerland to which more employees living in Switzerland commute to work than vice-versa. Member companies of the Liechtenstein Chamber of Commerce and

Industry (LCCI) employ more than 2600 people at 18 branches in Switzerland, and another 350 people work in permanent establishments of Liechtenstein companies in Switzerland. Globally, 39500 people work at branches of members of the LCCI outside Liechtenstein – i.e. more people than there are jobs in Liechtenstein.

**Origin of cross-border commuters:**

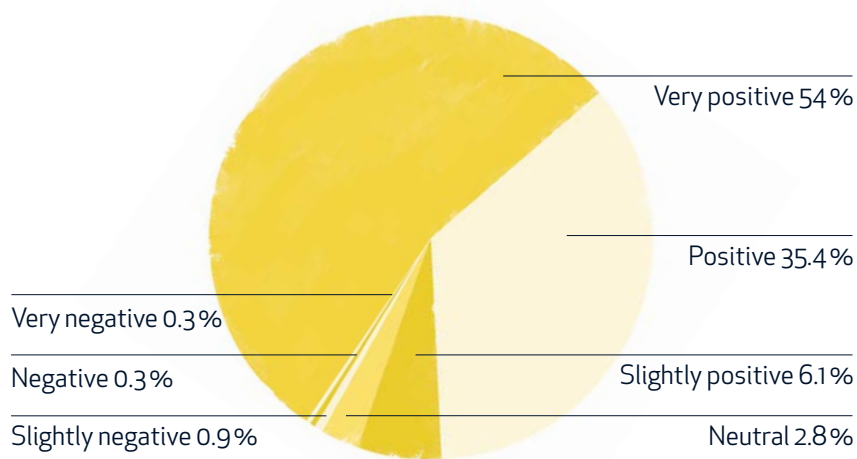
Switzerland	10506 persons (53.7%)
Austria	8226 persons (42.1%)
Germany	603 persons (3.1%)
Others	216 persons (1.1%)

Source: Employment Statistics 2014

**Different European Policies despite Customs Treaty**

Liechtenstein belongs to two different economic areas: the Swiss-Liechtenstein Customs and Currency Area and the European Economic Area (EEA). While Switzerland has chosen the bilateral path with the EU, the Liechtenstein people voted in favour of joining the EEA in 1995. At the same time, Liechtenstein and the EEA states of Iceland and Norway are linked to Switzerland through the European Free Trade Association (EFTA).

**Attitudes of the Liechtenstein Public towards the Customs Union with Switzerland**



Source: Representative survey by the Liechtenstein Institute "20 Years of the EEA Agreement", February 2015

# Strong Ties with Austria

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**Liechtenstein and Austria are linked by very close and friendly relations, which are rooted in the political, geographical, cultural, social, and economic closeness of the two countries.**

About 40 agreements and treaties secure these relations in numerous areas such as culture, education, health, internal security, justice, economics, and social affairs. Tax cooperation between Liechtenstein and Austria was given a comprehensive set of rules in 2014 on the basis of international standards.

In all areas of policy, there are regular and intensive exchanges at the governmental and administrative level as well as between the heads of state. The close cooperation in the region, especially with the neighbouring Austrian state of Vorarlberg, is of special importance to Liechtenstein.

Through the European Economic Area (EEA) and the Schengen area, the two countries enjoy close political and economic ties and are integrated within Europe. For companies in the industrial and financial sector, Austria is an important location – Liechtenstein companies employ about 1400 people in Austria. More than 8000 people commute to work each day from Austria to Liechtenstein. Liechtenstein, the Austrian state of Vorarlberg, and the Swiss canton of St. Gallen constitute an industrial landscape in the Rhine Valley that is based on exports in the high-quality sector and that exhibits a high level of innovation. Austria is one of the most important trading partners of Liechtenstein.



## **Successful Cultural Cooperation**

Cooperation between Austria and Liechtenstein through the Austrian Libraries Abroad is an example of successful cultural foreign policy. Since 2003, Liechtenstein has been integrated into the Austrian Libraries Abroad at 64 locations in more than 25 countries in Central, Eastern, and Southern Europe: On a Liechtenstein shelf in each library, works about the history, culture, and geography of the country as well as literary works by Liechtenstein authors can be found. This cooperation underscores that Liechtenstein and Austria belong to the same cultural area and are closely linked through the German language.

### Vibrant Exchange in Education

Several agreements govern cooperation between the two countries in the field of education. Liechtenstein and Austria recognise each other's school leaving certificates and higher education degrees

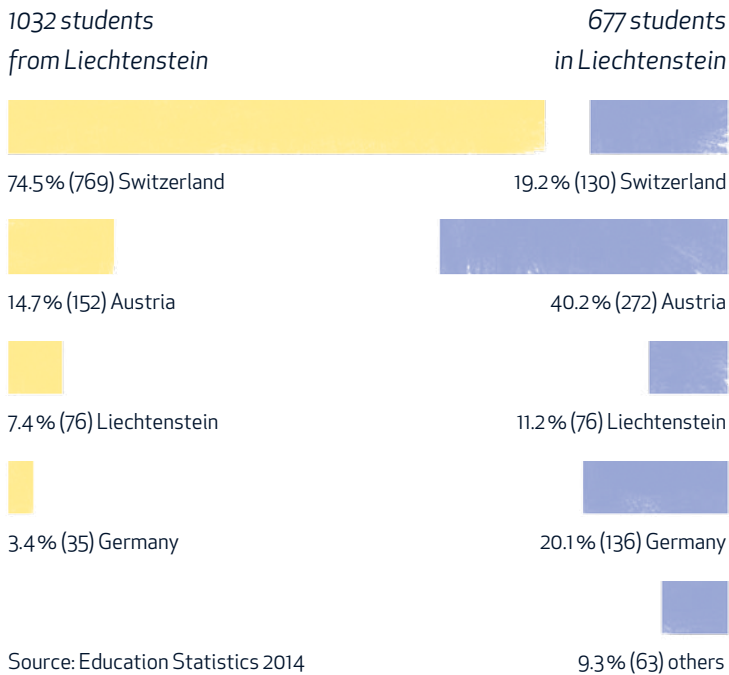
as equivalent. In Liechtenstein, university students from Austria are the largest group (40%), about four times as many as from Liechtenstein itself. Conversely, Austria and Switzerland are the most important university locations for Liechtenstein.



### Linked by a Shared Legal Culture

Liechtenstein and Austria share a legal culture and legal tradition. The Austrian General Civil Code was introduced in Liechtenstein in 1812. There are also parallels in the Criminal Code and the Code of Criminal Procedure. For this reason, Liechtenstein law is often based on Austrian law. At the political and administrative level, there is also an ongoing dialogue on legislative processes.

### Places of study for Liechtenstein students and origin of students in Liechtenstein



# Vigorous Economic Exchange with Germany

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In 2002, Liechtenstein opened its most recent embassy in Berlin with the goal of further strengthening and institutionalising Liechtenstein's traditionally close relations with the most populous country in the EU. Today, the relations at the level of the federal government, the states, and parliament are excellent. Profitable cooperation with Germany also exists in the EEA, the Council of Europe, the UN, and the OSCE. Apart from political relations, Germany is also one of the strongest economic partners of Liechtenstein. It is one

of the three most important export markets for Liechtenstein's industrial sector, and the industrial sector in turn imports more goods from Germany than from anywhere else. Economic exchange also benefits from the double taxation agreement concluded in 2011. Not least of all due to the shared German language – the promotion of which is one of the great concerns of Liechtenstein's cultural foreign policy –, both countries also enjoy very close ties in the fields of culture and education.



## Direct Investments and Jobs

Liechtenstein's direct investments in Germany (FDI) amounted to EUR 1.3 billion in 2013. According to information provided in April 2015 by the Deutsche Bundesbank, Germany's central bank, this amount of direct investments in Germany was higher than that of Poland, Portugal, and the Czech Republic combined. Conversely, German companies invested EUR 343 million in Liechtenstein. Ten Liechtenstein companies currently have a presence in Germany with 21 branches, offering jobs to more than 6000 employees. In Bavaria alone, there are 103 companies with a Liechtenstein majority shareholding.

## The Three Largest Export Partners of Liechtenstein in 2015

Share of total exports in terms of value



### Germany

CHF 773 million  
(24.1%)



### USA

CHF 488 million  
(15.2%)



### Austria

CHF 323 million  
(10.1%)

Switzerland is one of the most important trading partners of Liechtenstein. Due to the Customs Union, however, these figures do not appear in the Liechtenstein export statistics.

# Important Bilateral Partners

## **USA: Most Important Partner outside Europe**

The close relations are based on shared values and close cooperation in areas that enjoy a high priority for both countries. The focus in recent years has been on financial centre cooperation, including measures to combat money laundering and terrorist financing as well as cooperation on tax matters. A strong emphasis has also been placed on cultivating and further developing contacts with the US Administration and Congress at the level of members and staffers.

In light of the great significance of the United States as an export destination – exports in the amount of CHF 488 million or 15.2% of all Liechtenstein exports in 2015 went to the US –, it has been very important to promote trade relations and raise awareness of Liechtenstein as an attractive business location.



## **Network of Honorary Consulates Expanded to Asia**

The establishment of a network of Liechtenstein honorary consuls began in the US in 2007. Today, there are eight honorary consuls in the US, Germany, Hong Kong, and Singapore. In Asia, where Liechtenstein does not have any diplomatic representation, honorary consulates help supplement the higher frequency of diplomatic visits. With such high-level visits – sometimes accompanied by business delegations –, Liechtenstein has placed greater emphasis on cultivating bilateral relations with Asian countries in recent years.

## **Shared Historical Heritage with the Czech Republic**

Liechtenstein and the Czech Republic are linked through more than seven centuries of shared history, but they normalised diplomatic relations only in 2009. The still fresh cooperation between Liechtenstein and the Czech Republic is intensive and is expressed in a wide range of joint cooperation initiatives in foreign policy, culture, and education. With the conclusion of a double taxation agreement, the conditions were established for stronger economic cooperation. A joint commission of historians prepared a comprehensive overview of the shared history, which has been published in eight volumes. Knowledge of this shared cultural heritage offers the basis for a constructive dialogue on historical questions that are still unresolved, such as the expropriation of the property of 38 Liechtenstein citizens after the Second World War without compensation.

# Excellent Integration within Europe



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**Accession to the Council of Europe in 1978 was the first milestone in Liechtenstein's European integration policy. With that step, Liechtenstein expressly committed itself to shared fundamental European values. Another milestone in Liechtenstein's European policy followed in 1995: accession to the European Economic Area (EEA).**

EEA membership was and is of enormous importance to the heavily export-oriented economy of Liechtenstein. At the same time, EEA membership makes an important contribution to the independence of Liechtenstein's foreign policy. Since 2011, Liechtenstein has also been an associated member of the Schengen/Dublin area, which further deepened integration within Europe.

The goal of the EEA agreement is the expansion of the four freedoms (goods, persons, services, and capital) to all member states of the EU as well as the EEA/EFTA states

of Liechtenstein, Norway, and Iceland. The EEA thus offers barrier-free access to the European market with 31 countries and more than 500 million people. On the 20th anniversary of Liechtenstein's EEA membership in 2015, the assessment by Liechtenstein policymakers, businesspeople, and the public was extraordinarily positive. The EU also appreciates Liechtenstein's role within the EEA.

Through the ongoing incorporation of EU legislation that is relevant to the single market, Liechtenstein ensures uniform regulation in accordance with the EEA requirements. With a transposition rate of around 99%, Liechtenstein proves itself to be a reliable partner that is able to meet the high demands of comprehensive integration within the European single market. A current challenge within the EEA is to ensure the homogeneous

legal order in the European single market through a timely incorporation of European legislation and the corresponding decisions of the EEA Joint Committee. Joint efforts by the EEA/EFTA states and the EU are called for in this regard.

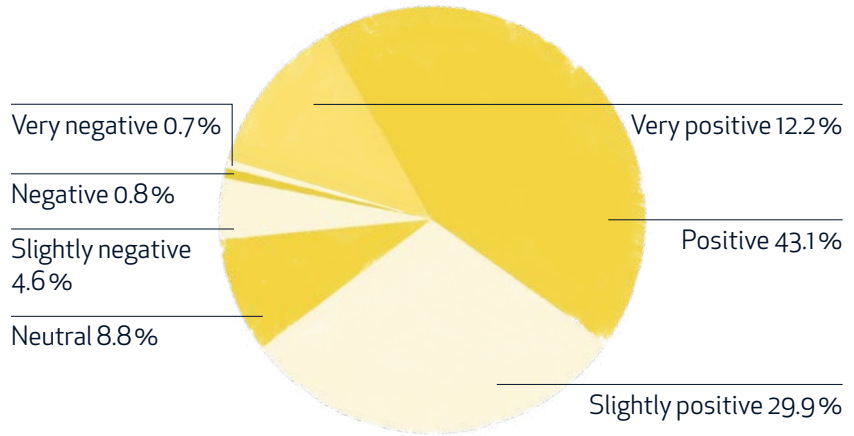
In addition to integration in the European single market, EEA membership has strengthened relations with the EU in other areas. This is demonstrated in Liechtenstein's participation in various EU programmes, such as in the fields of education and research, and in the regular political dialogue with the EU on foreign policy issues. Liechtenstein also supports the EU's sanctions policy and often joins EU statements, especially in multilateral organisations.



### The Liechtenstein Public's View of the EEA

#### Contribution to European Solidarity

As part of the EEA Financial Mechanism, Liechtenstein currently makes contributions in 15 EU states to reduce inequality within Europe together with its EEA/EFTA partners Iceland and Norway. For the period from 2009 to 2014, the EEA/EFTA states used this instrument to make a total of EUR 993.5 million available, of which Liechtenstein contributed slightly more than 1%, or about EUR 10 million. For the period from 2014 to 2021, the EEA/EFTA states have reached an agreement with the EU concerning the continuation of the Financial Mechanism. The EEA Financial Mechanism promotes projects in different areas such as environmental protection, climate change and renewable energy, civil society, human and social development and protection of cultural heritage, as well as academic research in these areas.



Source: Representative survey by the Liechtenstein Institute "20 Years of the EEA Agreement", February 2015

#### Excerpt from the Conclusions of the Council of the European Union in December 2014 on Relations with Non-EU Western European Countries

*"The Council commends Liechtenstein for its continued excellent rate of implementation of EEA relevant EU acquis, as well as its efforts to bring about solutions to pending issues regarding the incorporation of relevant EU acquis into the EEA Agreement. [...] The Council takes good note of the fact that Liechtenstein is not only a financial, but also an industrial centre with dynamic sectors, such as para-pharmaceuticals, engineering and high technology."*

#### Number of Legal Acts Incorporated into the EEA Agreement in the Past 10 Years

2004	305
2005	312
2006	340
2007	415
2008	218
2009	283
2010	346
2011	372
2012	486
2013	400
2014	627
2015	483

# Economic Network

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**Liechtenstein has a high-performing and broadly diversified national economy. Most added value is created by the industrial and financial service sectors. Due to the economic problems of the world economy, the strength of the Swiss franc, and the political developments relating to tax transparency, Liechtenstein as a business location has been confronted with various challenges in recent years. The steady employment growth since 2009, however, shows that Liechtenstein has managed to overcome these challenges.**

The most important goal of economic foreign policy is to establish favourable framework conditions that facilitate cross-border economic relations for the heavily export-oriented Liechtenstein companies. Liberalised market access is based primarily on Liechtenstein's membership in two economic areas through the Customs and Currency Union with Switzerland and the European Economic Area (EEA). Beyond this, the worldwide

network of free trade agreements concluded through the European Free Trade Association (EFTA) offers a framework for the further development of economic relations outside the EEA. These free trade agreements permit stable and – as far as possible – discrimination-free access to foreign markets. At the same time, Liechtenstein supports the general liberalisation of global trade envisaged by the World Trade Organization (WTO).

For a knowledge-based national economy, the protection of intellectual property is also indispensable. Liechtenstein is therefore a member of the European Patent Office (EPO) and the World Intellectual Property Organization (WIPO).



## Financial Centre in Transition

With the adoption of the integrated financial centre strategy, the Government set the course for the future positioning of the Liechtenstein financial centre. The strategy is based on the official commitment to the OECD standards and the automatic exchange of information (AEOI) as well as the cross-border tax agreements concluded since then. With the EU, Liechtenstein has concluded an agreement concerning the AEOI that entered into force on 1 January 2016. Apart from these commitments to transparency and tax cooperation with other countries, the Liechtenstein financial centre is distinguished by compliance with international and European standards as well as a high level of stability.

***Liechtenstein's repeated AAA rating by Standard & Poor's underscores this reliability.***



### In Favour of Open Markets

Services play an increasingly important role in international trade, also for Liechtenstein. For that reason, Liechtenstein – together with the EU and 21 other WTO members – participates in negotiations on a plurilateral Trade in Services Agreement (TiSA). The agreement is based on the key provisions of the existing 1995 General Agreement on Trade in Services (GATS) of the WTO and is intended to be supplemented by new elements.



### In the Middle of Two Economic Areas

Through its membership in the EEA and the Customs Treaty with Switzerland, Liechtenstein has created optimal conditions for its export-oriented economy. The EEA ensures Liechtenstein's equal access to the EU single market and permits

free movement of goods, persons, services, and capital. At the same time, Liechtenstein and Switzerland form a joint economic area with open borders. In that way, Liechtenstein's trade in goods also benefits from Switzerland's bilateral free trade agreements with China and Japan.

### Liechtenstein's Economic Performance



1 operating company  
per 9 inhabitants



Exports of approximately  
CHF 85 000 per capita in 2015



1 employee  
per inhabitant

# Globally Connected

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[Fold-out map →](#)



**Liechtenstein Embassies and Missions**

- Liechtenstein Embassy in Berlin
- Liechtenstein Embassy in Bern
- Liechtenstein Embassy in Brussels
- Permanent Mission of the Principality of Liechtenstein to the EU in Brussels
- Permanent Mission of the Principality of Liechtenstein to EFTA, the WTO, and the United Nations in Geneva
- Permanent Mission of the Principality of Liechtenstein to the United Nations in New York
- Permanent Representation of the Principality of Liechtenstein to the Council of Europe in Strasbourg
- Liechtenstein Embassy in Washington
- Liechtenstein Embassy in Vienna
- Liechtenstein Embassy in the Czech Republic (CZE), resident in Vienna
- Permanent Mission of the Principality of Liechtenstein to the OSCE and the United Nations in Vienna
- Liechtenstein Embassy to the Holy See (non-resident)



**Honorary Consulates**

- Macon (Georgia), USA
- Los Angeles (California), USA
- Portland (Oregon), USA
- Chicago (Illinois), USA
- Munich, Germany
- Frankfurt am Main, Germany
- Hong Kong, China
- Singapore



**Priority Countries of the Liechtenstein Development Service (LED)**

- Bolivia
- Burkina Faso
- Mali
- Republic of Moldova (MDA)
- Mozambique
- Niger
- Peru
- Senegal
- Zambia
- Zimbabwe

**European Economic Area (EEA)**

**Customs and Currency Union**

- Switzerland (CHE)



**EFTA (European Free Trade Association) Free Trade Agreements**

- Albania (ALB)
- Bosnia and Herzegovina (BIH)
- Canada
- Central American States (Costa Rica, Guatemala, Panama)
- Chile
- Colombia
- Egypt
- Gulf Cooperation Council (Bahrain, Kuwait, Oman, Saudi Arabia, Qatar, United Arab Emirates (ARE))
- Hong Kong, China
- Israel
- Jordan
- Republic of Korea
- Lebanon
- Macedonia (MKD)
- Mexico
- Montenegro (MNE)
- Morocco
- Palestinian Authority
- Peru
- Serbia (SRB)
- Singapore
- Southern African Customs Union (Botswana, Lesotho, Namibia, South Africa, Swaziland)
- Tunisia
- Turkey
- Ukraine



### **Ongoing EFTA Negotiations**

- Algeria
- Georgia
- Central American States  
(Honduras)
- India
- Indonesia
- Malaysia
- Philippines
- Russia, Belarus,  
and Kazakhstan
- Thailand
- Vietnam



### **EFTA Joint Declarations on Cooperation**

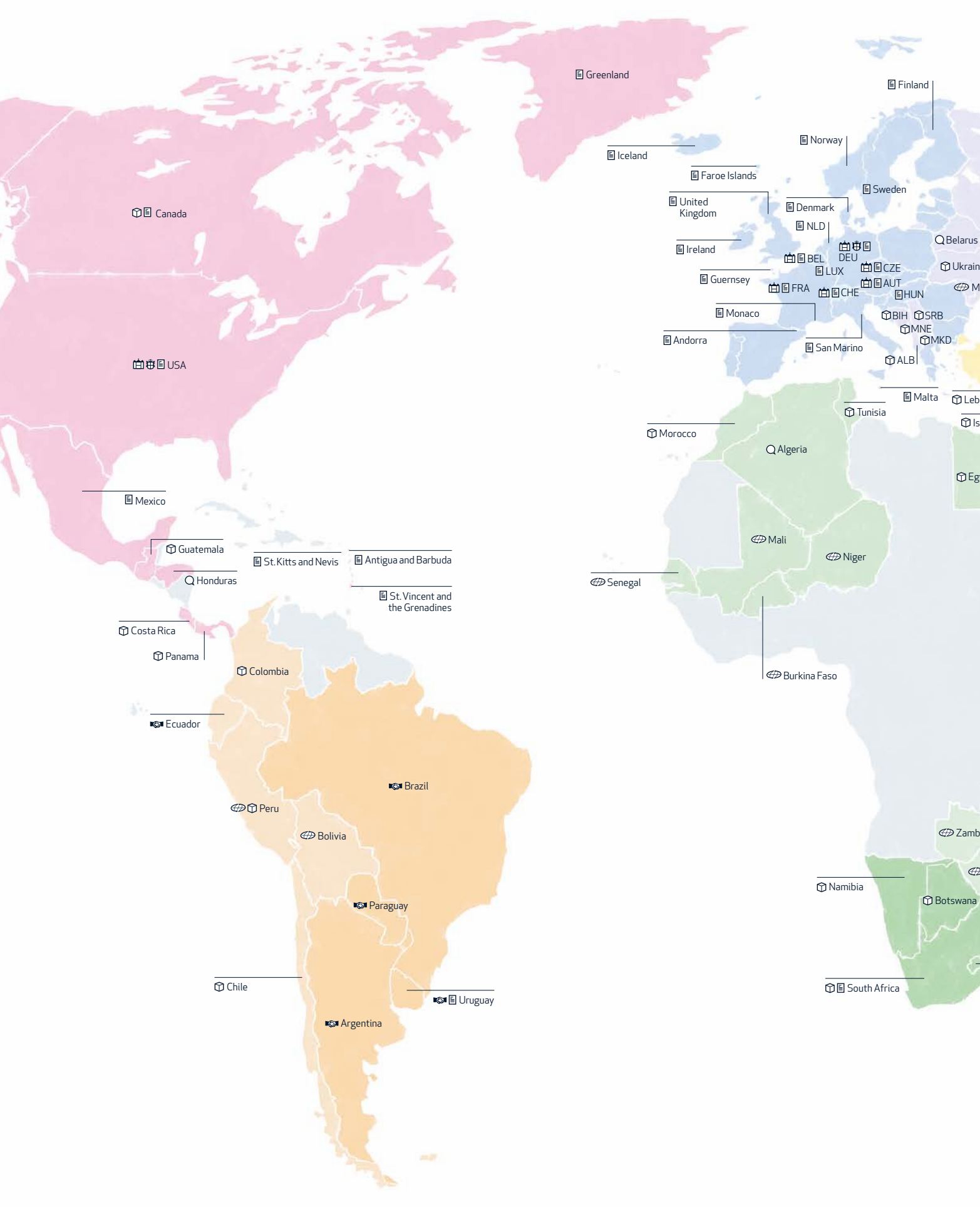
- Ecuador
- Mauritius
- Mercosur  
(Argentina, Brazil,  
Paraguay, Uruguay)
- Mongolia
- Myanmar
- Pakistan



### **Bilateral Tax Agreements**

*Status per 1 February 2016*

- Andorra
- Antigua and Barbuda
- Australia
- Austria
- Belgium (BEL)
- Canada
- China
- Czech Republic (CZE)
- Denmark
- Faroe Islands
- Finland
- France (FRA)
- Germany (DEU)
- Greenland
- Guernsey
- Hong Kong
- Hungary
- Iceland
- India
- Ireland
- Japan
- Luxembourg (LUX)
- Malta
- Mexico
- Monaco
- Netherlands (NLD)
- Norway
- San Marino
- Singapore
- South Africa
- St. Kitts and Nevis
- St. Vincent and the Grenadines
- Sweden
- Switzerland (CHE)
- United Kingdom
- Uruguay
- USA





Q Russia

Q Kazakhstan

Q Mongolia

Q Georgia

Q Turkey

Q Japan

Q Republic of Korea

Q China

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Q Bahrain

Q Pakistan

Q Jordan

Q Qatar

Q Kuwait

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Q Saudi Arabia

Q Oman

Q India

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Q Hong Kong

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Q Lesotho

Q Australia







# commitment

- Protection of Human Rights
- Security and Law Enforcement



# Protection of Human Rights

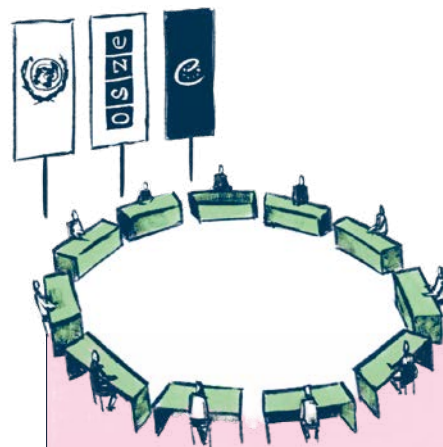
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**Strengthening the rule of law and protecting human rights are guiding principles of Liechtenstein foreign policy. The basis of this commitment is the conviction that respecting human rights and strengthening democracy and the rule of law are the basis for development, security, and peace.**

Priorities within the promotion of human rights are the rights of women and children as well as the fight against torture and the death penalty. Liechtenstein also works to strengthen the international human rights structures and mechanisms and to combat impunity for the most serious violations of human rights.

Other important concerns are the protection of the civilian population in armed conflicts and general engagement on behalf of compliance with international humanitarian law.

In addition to the activities in multilateral organisations, Liechtenstein attaches great importance to the domestic implementation of international obligations. Liechtenstein's good human rights record, as attested by international bodies, strengthens the credibility of Liechtenstein's foreign policy.



## Further Development of International Law

In multilateral organisations such as the UN, the OSCE, and the Council of Europe, Liechtenstein works to promote the further development of international human rights structures. In the Council of Europe, the reform of the European Court of Human Rights (ECtHR) enjoys a high priority. Ensuring functioning of the ECtHR as the central pillar of human rights protection in Europe is an important concern of Liechtenstein foreign policy. For this purpose, managing the large number of individual complaints is key. Liechtenstein has provided financial support for this goal with voluntary contributions and has also submitted reform proposals that have been reflected in negotiation results and reform measures.

### **The International Criminal Court (ICC)**

Liechtenstein has long worked to ensure that the most serious crimes under international criminal law – such as genocide, war crimes, and crimes against humanity – are prosecuted, especially by the International Criminal Court (ICC). Under the chairmanship of Liechtenstein, the first ICC Review Conference in Kampala (Uganda) in 2010 reached a consensus on the definition of the crime of aggression.



On 8 May 2012, Liechtenstein was the first state in the world to ratify these treaty amendments. Their goal is to give the ICC the power to prosecute the most serious form of the illegal use of force between states under international law starting in 2017.

Together with the Global Institute for the Prevention of Aggression, Liechtenstein is conducting a global campaign to support other states in their ratification and implementation of the treaty amendments ([www.crimeofaggression.info](http://www.crimeofaggression.info)). Foreign Minister Aurelia Frick has also established a network of ministers who support the ICC politically.

### **Liechtenstein's Dedication to Women's Rights**

Implementation of the UN Security Council's Women, Peace and Security Agenda has been a focus of Liechtenstein foreign policy for years. Promoting the equal participation of women in conflict prevention as well as in peace and reconstruction processes enjoys a high priority. Liechtenstein also supports the fight against sexual violence in armed conflicts. Moreover, Liechtenstein works together with non-governmental organisations (NGOs) that work to promote implementation of the Women, Peace and Security Agenda, especially within the United Nations.



*From 2015 to 2019, Liechtenstein is serving as a member of the UN Commission on the Status of Women – the most important UN body working on the promotion of women and gender equality – and actively shaping its work.*

# Security and Law Enforcement

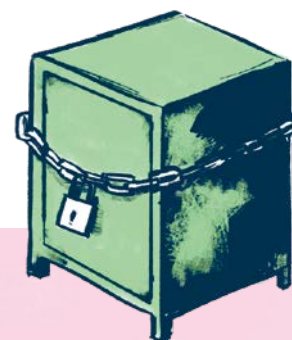
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**As a small state without its own armed forces, Liechtenstein has a strong interest in participating in the international efforts to promote global security. Accordingly, Liechtenstein is committed to regulate the international arms trade and disarmament primarily within the context of multilateral organisations such as the UN and the OSCE.**

In law enforcement, it is a major concern that the services of the Liechtenstein financial centre are not abused for criminal activities such as money laundering and financing terrorism. For that reason, Liechtenstein participates actively in the improvement of international cooperation to combat such activities and in the establishment of national capacities in partner countries.

At the same time, Liechtenstein is continuously strengthening its own domestic measures to defend against money laundering and financing terrorism in accordance with the requirements of the Financial Action Task Force, the OECD, and the EU Anti-Money Laundering Directives.

Liechtenstein also works to combat corruption, both as a member of the Council of Europe's Group of States against Corruption (GRECO) and as a state party to the UN Convention against Corruption (UNCAC). Moreover, Liechtenstein participates in international conventions and initiatives against organised crime, money laundering, human trafficking, and cybercrime.



## Implementation of Sanctions

Since joining the UN in 1990, Liechtenstein has implemented the international sanctions of the UN Security Council. At the same time, Liechtenstein works to improve the transparency of UN sanctions and compliance with the principles of the rule of law. Special importance is attached to combating financial crime and especially measures to freeze illegally acquired assets of politically exposed persons, in order to keep assets of criminal origin away from the financial centre and to repatriate misappropriated public funds to the countries concerned. In most cases, Liechtenstein associates itself with the restrictive measures taken by the EU within the framework of its Common Foreign and Security Policy.

### For a more effective Security Council

Liechtenstein has drafted a Code of Conduct that aims to make the Security Council more effective in responding to atrocity crimes such as genocide. More than 100 States have already joined this initiative, among them a majority of current Council members including the veto-wielding permanent members France and the United Kingdom.

On the question of whether and how the number of Security Council members should be increased, Liechtenstein has proposed a compromise: Creating a new category of long-term seats of eight to ten years which would supplement the current categories (five permanent seats, ten two-year seats). Liechtenstein also advocates greater transparency and better cooperation with non-member states.

### Active Role in the OSCE

As a non-aligned country without military forces, Liechtenstein was one of the founding members of the CSCE process in 1975, which resulted in the creation of the Organization for Security and Co-operation in Europe (OSCE) headquartered in Vienna.

Today, the OSCE is the main forum for dialogue on European security issues. Liechtenstein frequently makes voluntary contributions to enter into cooperation arrangements, such as in the Western Balkans in the field of arms control or in Ukraine in the field of anti-corruption.



### Disarmament

Liechtenstein has ratified the Non-Proliferation Treaty (NPT), one of the most important multilateral non-proliferation and disarmament agreements, as well as a safeguards agreement with the International Atomic Energy Agency (IAEA). Liechtenstein has also ratified the Chemical Weapons Convention (CWC) and the Biological Weapons Convention (BWC) as well as the Comprehensive Nuclear-Test-Ban Treaty (CTBT).

Liechtenstein works to suppress the illegal trade in conventional weapons and to prohibit weapons that are excessively injurious or have indiscriminate effects. In this context, Liechtenstein is committed to strengthening and further developing international humanitarian law. Within the framework of the Convention on Cluster Munitions, Liechtenstein became one of the first countries to prohibit the financing of cluster munitions in 2012.





# solidarity

- Climate Policy
- International Solidarity

# Climate Policy

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## Climate Protection at the International Level

On the international level, Liechtenstein has been arguing in favour of reducing global greenhouse gas emissions and of strengthening climate protection for years. The ratification of the Kyoto Protocol and its extension until 2020 underscore this commitment. Liechtenstein has accordingly advocated an ambitious and universally applicable convention at the negotiations concerning the Paris Agreement. This treaty is aimed at limiting global warming significantly below 2 degrees Celsius. It additionally provides a framework for improving climate protection measures in the contracting states. Liechtenstein plans to ratify the Paris Treaty soon.

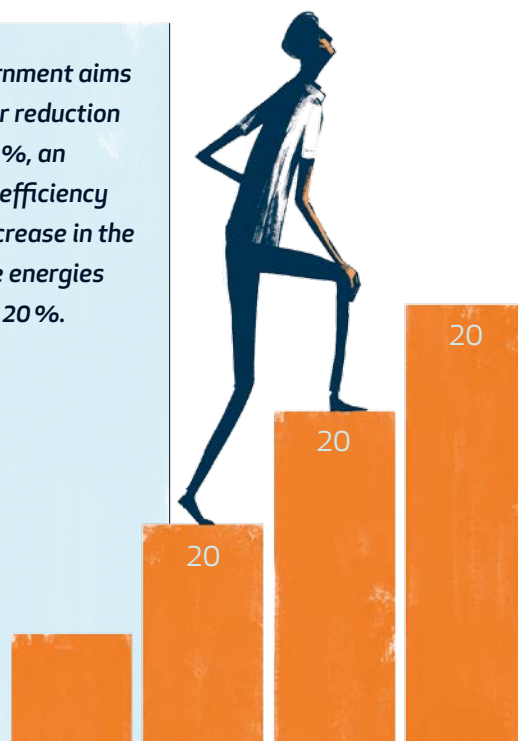
## Credible Contribution to Climate Protection at Home

In both absolute and relative terms, Liechtenstein is not a major emitter of greenhouse gases. Liechtenstein's population has grown by about 25% since 1990, and GDP has risen by about 140%. Despite this strong growth, Liechtenstein has been able to decouple greenhouse gas emissions from economic and population growth: By 2012, emissions were reduced in accordance with the targets of the Kyoto Protocol.



**World Champion in Solar Energy:** With 481 watts of installed photovoltaic power per capita, Liechtenstein had the highest level worldwide in 2014.

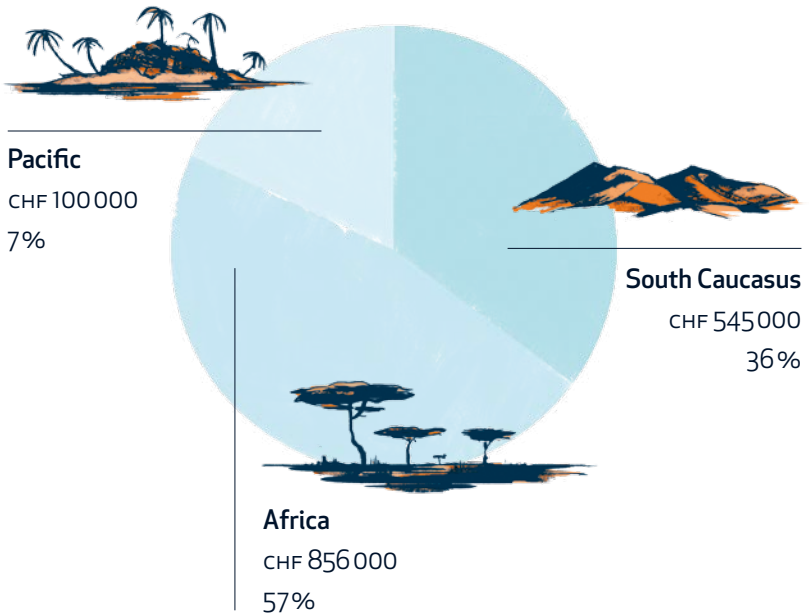
**By 2020, the Government aims to achieve a further reduction of emissions by 20%, an increase in energy efficiency by 20%, and an increase in the share of renewable energies in Liechtenstein to 20%.**





### Distribution of Climate Funds by Region

Total: CHF 1.5 million



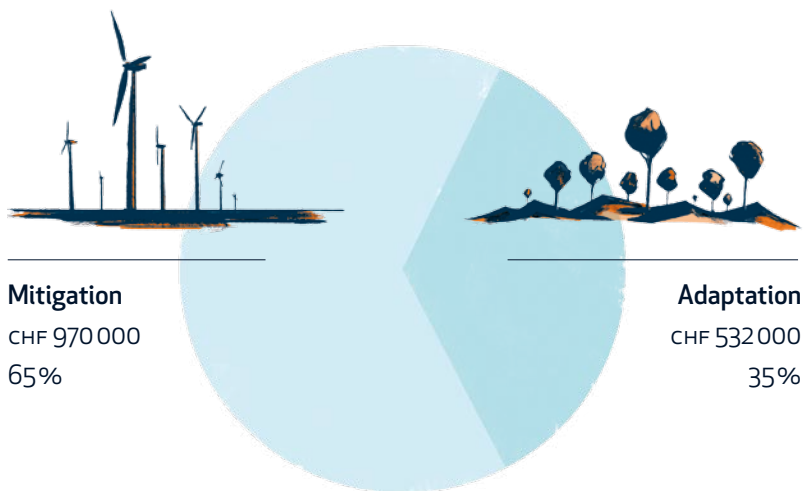
### Solidarity with Affected States

Solidarity with countries that will suffer especially strongly from global warming plays a central role in Liechtenstein's climate policy. In relative numbers, Liechtenstein is one of the largest climate finance donors worldwide. Since 2011, Liechtenstein has made new and additional resources available for climate projects in developing countries in the amount of CHF 1.5 million.

These projects aim to reduce emissions and increase efficiency in order to mitigate climate change (**mitigation**). Other supported projects help adapt to the consequences of climate change (**adaptation**).

### Distribution of Climate Funds in Mitigation and Adaptation

Total: CHF 1.5 million



# International Solidarity

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**International solidarity is one of the central pillars of Liechtenstein foreign policy, which becomes particularly clear if one considers the above-average financial funds dedicated to this area. Making a contribution to alleviating suffering and poverty in different regions of the world is part of Liechtenstein's understanding of itself as a prosperous country and as a reliable partner in the international community.**

The heart of Liechtenstein's commitment to solidarity is International Humanitarian Cooperation and Development (IHCD). Other pillars of Liechtenstein's commitment include participation in the EEA Financial Mechanism and climate finance. IHCD encompasses all forms of Liechtenstein's engagement in the humanitarian and development policy field.

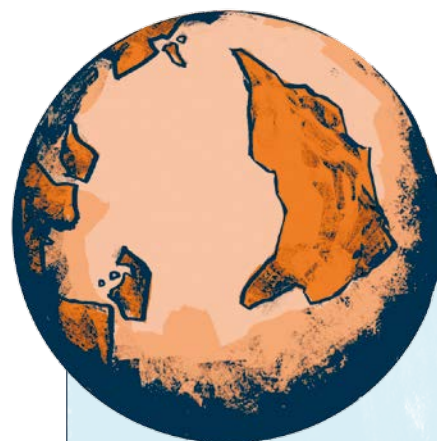
**Emergency and Reconstruction Assistance** offers short-term and urgent assistance measures in the event of natural disasters, political crises, and

armed conflicts. Special attention is paid to emergency situations that are largely ignored by the international community.

**International Refugee and Migration Assistance** is based on a sustainable and comprehensive approach to dealing with global refugee and migration issues. Bilateral activities focus on the Balkan countries.

**Bilateral Development Cooperation** is the responsibility of the Liechtenstein Development Service (LED). The LED is active in ten priority countries, with a focus on the development of rural regions and education.

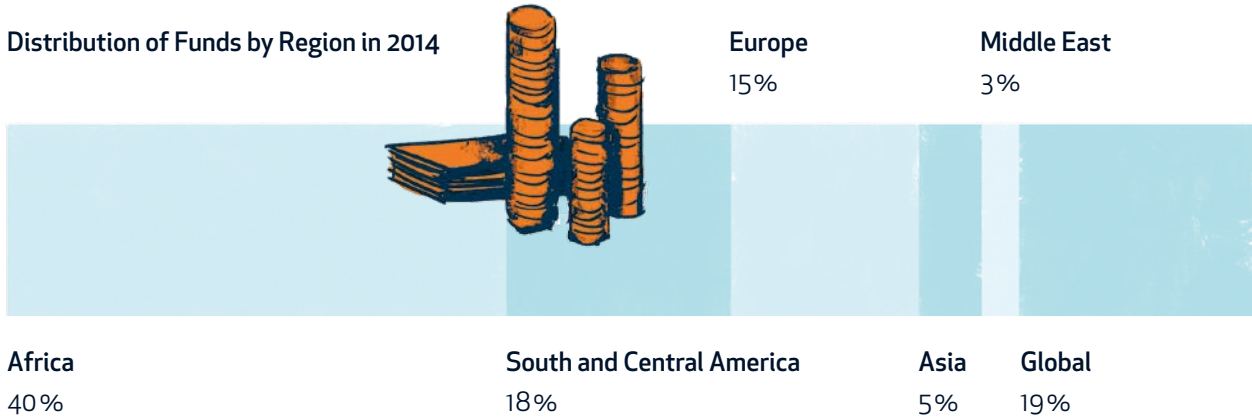
**Multilateral Development Cooperation** pays special attention to fostering good governance. Key priorities of Liechtenstein's foreign policy in the area of human rights are additionally promoted in this way as part of IHCD.



## **Small Country, Big Contributions**

*For 2016, Liechtenstein has budgeted CHF 22.54 million for the International Humanitarian Cooperation and Development (IHCD). In 2013, Liechtenstein has achieved an ODA ratio of 0.65%. This ratio measures official spending for development cooperation and humanitarian assistance as a percentage of gross national income. In relative terms, Liechtenstein thus belongs to the ten globally leading donor countries in development cooperation.*

Distribution of Funds by Region in 2014



**Support for Syrian Refugees**

In connection with the situation in Syria, Liechtenstein has adopted a two-pronged approach. On the one hand, Liechtenstein voluntarily participates in the redistribution of asylum seekers from the EU. Liechtenstein has committed to receive 43 asylum seekers from the EU within the framework of the reloca-

tion programmes that were concluded in July and September 2015. Additionally, 23 Syrian refugees from Jordan and Turkey have already been admitted to Liechtenstein through a resettlement programme.

On the other hand, Liechtenstein has provided emergency and reconstruction assistance in Syria, Jordan, and Lebanon

with a total amount of CHF 1.8 million. With four contributions so far, Liechtenstein has helped finance a project of the Swiss Agency for Development and Cooperation (SDC) in Jordan. A contribution of CHF 300 000 supports 5000 schoolchildren. Additionally, CHF 300 000 were provided to an education project for Syrian refugees and locals in Lebanon.

**Credits****Published by:**

Ministry for Foreign Affairs,  
Education and Culture  
Peter-Kaiser-Platz 1  
9490 Vaduz  
Liechtenstein

**Internet:**

[www.regierung.li](http://www.regierung.li)  
[www.aaa.llv.li](http://www.aaa.llv.li)  
Twitter: @MFA\_LI

**Layout and graphic design:**

Büro für Gebrauchsgraphik AG,  
Vaduz

**Printed by:**

BVD Druck+Verlag AG, Schaan

Second, revised edition

February 2016





**GOVERNMENT**  
PRINCIPALITY OF LIECHTENSTEIN

MINISTRY OF  
FOREIGN AFFAIRS, EDUCATION AND CULTURAL AFFAIRS