

Avosetta Meeting – Copenhagen

Report from Switzerland

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Questionnaire

1. Political Situation

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In Swiss politics, public opinion and voter views on climate protection and the energy transition are **quite strongly divided**. According to the so-called [worries barometer](#)¹, which is conducted yearly, climate/environmental protection was still the second-most-cited worry among the Swiss population in 2025 (31% identified it as one of their top five concerns), surpassed only by health issues (46%, reflecting concerns about health insurance premiums), and closely followed by pensions and immigration (30%). Between 2020 and 2022, climate issues had been more prominent, reaching values of almost 40%, not seen since the mid-1990s (when it was labelled "environmental protection"). However, these general figures mask significant differences within the population. The first divergence relates to age: While the younger population (aged 10–39) expresses high levels of concern about the climate (40%), the middle-aged (aged 40–64) and older (aged 65 and over) age groups view the issue as less serious (27% and 29%, respectively). The second relates to party affiliation: While people affiliated with the Green Party, the Social Democrats or the Green Liberal Party demonstrate strong awareness of climate and environmental protection issues (79%, 56% and 57% respectively), members of the Centre Party or the Radical Democrats show much lower levels of awareness (21% and 19% respectively), with many not considering the topic a priority. For many of the persons affiliated with the right-wing Swiss Peoples Party, the issue does not even show up in the barometer.

Judging by the **development of emissions**, climate policy has been fairly successful in recent years. Compared to 1990, greenhouse gas emissions have fallen by 27%, despite a significant population increase, resulting in emissions of 4.5 tonnes of CO₂ equivalents per capita in 2024. The main sources of emissions are transport (33%), housing (22%), industry (22%), and agriculture and waste (22%). The most significant reductions were seen in buildings (47%) and industry (33%). However, Switzerland's greenhouse gas footprint also includes around 10.5 tonnes of CO₂ equivalents emitted abroad due to the import of goods and services, which casts a shadow over the relatively positive results of its climate policy.

Switzerland's **climate policy toolbox** includes the following items:

- A **CO₂ tax on fossil fuels**, such as heating oil and natural gas, which was first introduced in 2008. Currently, it amounts to around 130 euros for every tonne of CO₂ emitted when these fuels are burned. The revenue from this tax is largely redistributed to the public (cf. below).
- **CO₂ offsetting for fuels in the transport sector**: suppliers of fossil fuels must offset a proportion of the CO₂ emissions generated during combustion by financing offsetting

projects. Currently, the proportion of emissions to be offset is 30%, rising to 50% by 2030. CO₂ offsetting may increasingly take place abroad. To fulfil their obligation, distributors must purchase certificates from offsetting projects. These are approved by the Offsetting Office.

- The **Emission Trading Scheme** is linked to its European counterpart.
- **CO₂ regulations for new vehicles**, with target values for new passenger cars, vans and light articulated lorries. From 2025, these regulations will apply to new lorries and articulated lorries for the first time. The same target values apply in Switzerland as in the EU.
- **Subsidies in various forms**: for buildings (insulation, heat pumps), for producing electricity from renewable sources (solar power, geothermal energy, producing renewable gases, solar thermal installations for process heat), for energy efficiency, for charging infrastructure for electric vehicles, for electric or hydrogen buses for public transport, for electric vehicles (abolition of motor vehicle tax for electric cars in many cantons), for industry in various fields, and for a programme to adapt to climate change.
- A **Technology Fund**, through which the federal government supports innovations that reduce greenhouse gas emissions or resource consumption, promote the use of renewable energy and improve energy efficiency. Guarantees make it easier for innovative companies to secure loans.
- **Informational obligations**, such as the obligation for providers of flight services to state the estimated emissions caused by each flight in their flight offers (Art. 7a CO₂ Act).

Following the rejection of a proposed amendment to the CO₂ Act in a vote in 2021, which included new charges on flights and an increased potential tax on fossil fuels for transport, the relevant minister announced that the next draft would **concentrate solely on subsidies rather than taxes or levies**. Consequently, no new taxes or levies have been added to the regulatory toolbox in recent years. Therefore, while charges were a valuable regulatory option in the past, they have become fairly implausible due to direct democratic opposition.

2. Overall Climate Policy Targets

In response to the popular initiative “[Glacier-Initiative](#)”, which demanded a net zero emissions target and a ban on selling fossil fuels by 2050, the Federal Parliament proposed the Federal Act on Climate Protection Goals, Innovation and Strengthening Energy Security. Once the Act was adopted, the initiative was withdrawn. The Act sets out **three types of climate objective**: According to the *general target*, Switzerland must achieve net zero emissions by 2050 (art. 3 para. 1 KIG). *Intermediate targets* require a reduction of at least 64% compared to 1990 levels on average for the period 2031–2040, at least 75% by 2040, and at least 89% on average for the period 2041–2050 (art. 3 para. 3 KIG). The Act also sets out *benchmark values for individual sectors*: a reduction of 82% by 2040 and 100% by 2050 in the buildings sector; 57% (2040) and 100% (2050) in the transport sector; and 50% (2040) and 90% (2050) in the industrial sector. The Federal Act on the Reduction of CO₂ Emissions requires that, by 2030, greenhouse gas emissions amount to no more than 50% of 1990 levels, with an average reduction of at least 35% between 2021 and 2030 (art. 3 para. 1 CO₂ Act). In the buildings, transport and industry sectors, emissions must not exceed 50%, 75% and 65% of 1990 levels respectively (art. 3 para. 1 CO₂ Ordinance).

Therefore, the structure of the targets in Switzerland is similar to those set out in the European Climate Law and the Effort Sharing Regulation. However, Switzerland's intermediate targets are less ambitious than those in the EU. It aims to reduce emissions by 50% by 2030 (EU: 55%) and by 75% by 2040 (EU: 90%), while also aiming to reach net zero by 2050.

3. Emission Trading System I (Industry)

The **Swiss ETS operates independently but is connected to its European counterpart**. Around 100 operators of stationary installations emitting approximately 4 million tonnes of CO₂eq per year participate in the Swiss ETS. Additionally, around 200 aircraft operators emitting approximately 1.5 million tonnes of CO₂eq per year are also subject to ETS obligations. The link to the European ETS is based on an agreement between the EU and Switzerland, constituting the first **international agreement** to link ETS schemes. It came into force in 2020. The treaty governs the mutual recognition of emission allowances. Participants in one ETS can use allowances from the other, leading to a common price for emission allowances. As a result of this linkage, aviation and fossil fuel-fired power stations have also been integrated into the Swiss ETS.

A recent [study](#) commissioned by the Federal Office for the Environment analysed the impact of the Swiss Emissions Trading Scheme (ETS). It concludes that, despite a significant reduction in emissions in the industrial sector (-33% since 1990), the Swiss ETS has not been very effective due to the low level of ambition of the cap. The reluctance to set a more ambitious target may be seen in the intention to avoid carbon leakage. This seems to have been successful, as the study found no evidence of carbon leakage. However, the effectiveness of the scheme was hampered by the low cost of emission allowances. At the same time, the analysis emphasises the general efficiency of the ETS mechanism and found no evidence to suggest that free allocations significantly impacted the price of emission allowances, thus undermining the effectiveness of the ETS. Regarding the current and future functioning of the system, the study argues that the accelerated reduction path of the cap, as well as the market stability mechanism added to the scheme, will render the ETS more effective.

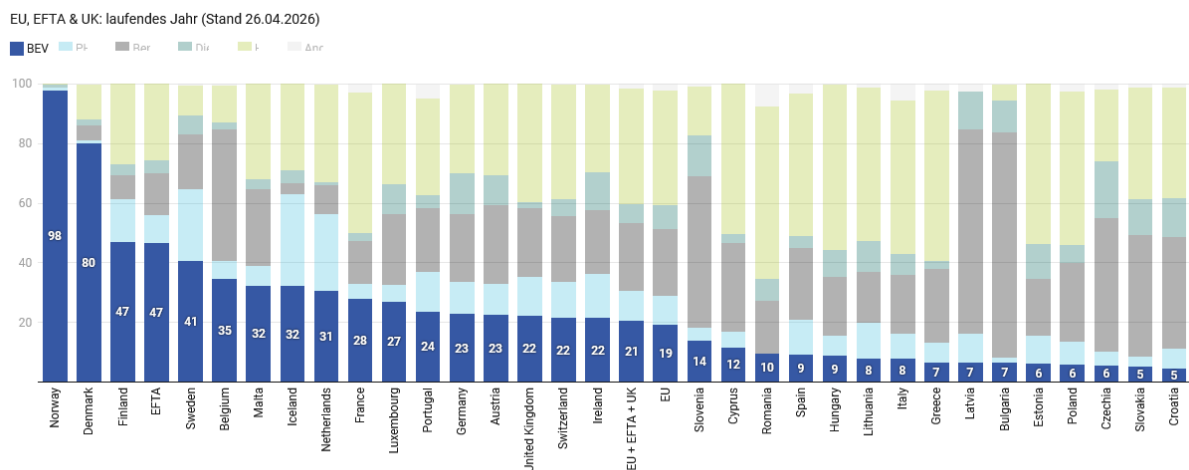
This assessment comes with **three proposals for improvement**:

- (i) adaptation of the market stabilisation mechanism to allow for a swifter reduction in the volume of allowances in free circulation;
- (ii) measures to address the risk of carbon leakage, such as ensuring competitiveness and protecting downstream industries against significant competitive disadvantages;
- (iii) definition of the regulatory framework in view of the ETS's 'net-zero objective' (supporting undertakings with particularly costly measures, planning and implementing the required infrastructure — namely for hydrogen supply and a CO₂ pipeline network — and regulating the implementation of negative emission technologies).

4. Emission Trading System II (Buildings and Road Transport)

Currently the **building sector** contributes 22 % to total emissions (-47% since 1990), whereas the **transport sector** contributes 33.5 % (-10 % since 1990). The electrification of road transport is progressing rather slowly. At present (2025), only around 7.6 % of existing passenger vehicles are plug-in vehicles, and around 5.2 % are electric cars. For 2026 however, 36 % of the newly registered passenger cars are either electric or plug-in hybrid cars (cf. table below).

New passenger car registrations: all drive types – market shares in Europe



The Federal Council (the government) is currently drafting a **proposal** to include CO₂ emissions from the building and transport sectors in a **new Emissions Trading Scheme (ETS)**. This new scheme would replace the current CO₂ tax for these sectors. According to the approach currently under debate, the system would include a price ceiling of CHF 120 (€110) per tonne of CO₂ from heating oil and CHF 20 (€18) per tonne of CO₂ from fuel, in order to prevent excessive price rises. These amounts correspond to the level of the current CO₂ tax and the maximum compensation surcharge for fuel. Parliament would then be permitted to adjust the price caps for emission allowances in Switzerland if EU prices are higher than those in Switzerland. It remains to be seen whether, and under what conditions, the envisaged design of the Swiss scheme will allow equivalence to be maintained between the two systems. Equivalence is of considerable importance because it enables Switzerland to maintain its exemption from CBAM.

In light of the **political scepticism** towards high carbon prices, as illustrated above, further emissions reductions in these sectors are likely to be achieved primarily through private investment in electric vehicles or public subsidies for the conversion of heating systems and building insulation. The biggest challenge is undoubtedly international air travel, given that Swiss people fly more frequently than most (in 2015, they took an average of 3 flights per person per year, as compared to 1.4 in France and Germany, and 2.1 in the United States).

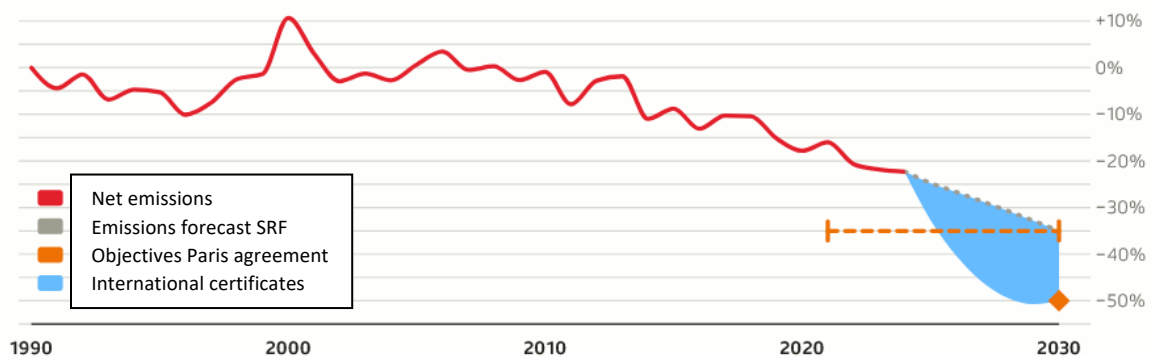
5. Double regulation?

There is a discussion regarding 'double regulation', for example with regard to the distinction between **the CO₂ tax and participation in the ETS**. In this context, operators of **fossil fuel power stations** are required to participate in the ETS but are also subject to the CO₂ tax on the fuel required for their operation. They are entitled to a refund in this respect, but only to the extent that the tax exceeds the minimum CO₂ price set by the federal government (art. 17 para. 2 CO₂ Act). This minimum price is determined based on external costs minus the costs of emission allowances purchased under the ETS (Art. 96b CO₂ Ordinance). According to stakeholders in the electricity sector, this minimum CO₂ price is unique and represents a significant competitive disadvantage for Swiss operators. The issue is currently only relevant for two installations concerned. Both are reserve power stations, for which the remaining tax would be financed by different sources.

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6. Effort Sharing

Switzerland is currently **not on track** to achieve its objective of reducing emissions by 50% by 2030, nor to reduce average emissions by 35% between 2021 and 2030. As of 2024, the reduction (excluding land use) amounts to -27.3%. According to the legal requirements, two thirds of the total reduction must be achieved in Switzerland. Therefore, if a reduction of at least 33.3% is achieved, the remainder can be offset using certificates. However, this burden may be considerable. Based on a recent [forecast](#) by the national radio and television network SRF, Switzerland will have to offset an estimated 48.3 million tonnes of CO₂eq abroad by 2030 (see table below). The cost of these purchases could amount to around 1 billion Swiss francs.



7. Renewable Energy

Energy consumption per person in Switzerland has been falling for years. Between 1990 and 2020, total consumption fell by 5.9%, despite a population growth of 28.7%. In 2024, the lion's share of energy consumed in Switzerland came from petroleum products and transport fuels (45.7%), followed by electricity (26.7%) and gas (12.3%). The main consumer groups are private households (27.4%), transport (38.1%), industry (17.7%), and services (15.7%), accounting for around a fifth. In 2024, the share of renewables in the energy mix reached 29.9%, up from 17% in 2000. Most of the **electricity** is generated from hydropower (60%), nuclear power

(28%), and conventional thermal and renewable energy sources (12%). The share of 'new renewables' has grown significantly in recent years, primarily due to increased solar power production, which in 2024 accounted for 7.4% of total production (compared to 3.1% in 2019). Wind farms, on the other hand, have a difficult time due to lengthy permit processes, local resistance, and the many opportunities for judicial intervention in the planning process. Consumption of electricity per person is currently significantly lower than in 2000 (-12.4%).

According to a **forecast** contained in a study commissioned by the Association of Energy Companies and published in 2022, a generation shortfall of 37–47 TWh (45–55% of total demand) is expected due to rising electricity demand (25–40% by 2050) and the gradual decommissioning of Switzerland's nuclear power plants by 2044. This shortfall will require the construction of new power stations. Therefore, solar and wind power station capacity will need to increase significantly beyond recent levels. If this threshold is met, the new energy system would be less costly than the current one due to the substitution of fossil fuel imports. In the considered scenarios, hydropower will continue to dominate the energy system, while alpine solar power stations and wind power could increase electricity production in winter (Switzerland currently imports electricity in winter and exports it in summer). Based on this forecast, the association has now published the **Swiss Electricity Supply Index**, which provides a forecast of the supply situation in 2050. According to the index, while electricity demand is on track for 2050, the addition of renewable electricity production (wind, solar and alpine solar) is lagging. To ensure a secure electricity supply in 2050, the system must incorporate seasonal flexibility, increase winter production significantly and enhance cross-border capacity, ideally through a negotiated agreement with the EU. Furthermore, the slow progress of upgrading and expanding the transmission grid must be accelerated. Based on these findings, the current value of the index is set at 69 out of 100 points, meaning that even with considerable effort, the security of the electricity supply in 2050 remains at risk.

The transition is **primarily driven by private investment and public subsidies**. At a federal level, financial support, which is funded by the grid surcharge, amounts to around 1.4 billion Swiss francs (approximately 1.5 billion euros). In 2022, the federal legislature decided to provide substantial financial backing for alpine solar installations, agreeing to cover up to 60% of the costs (Art. 71a Energy Act). The aim of the '**Solar Express**' initiative was to increase solar production by 2 TWh to boost renewable energy production in winter. However, due to the considerable installation costs, demand has been limited thus far. Currently, only solar power stations with a capacity of 0.645 TWh are planned or under construction.

There are **multiple reasons for the slow transition** towards renewables:

- Despite various attempts to streamline the process, such as the 'Acceleration Act' passed by the Federal Parliament in 2025, the *approval procedures* for renewable energy projects remain extremely time-consuming. This is most evident in the wind power sector. For instance, the planning and approval process for a recently built wind farm in the Jura took 25 years. While this may be an extreme example, planning periods of around 15 years are common.
- Resistance by *local communities* (particularly with regard to wind farms, but also solar power stations and hydroelectric projects), expressed through legal challenges and participatory instruments of direct democracy.
- In a similar context, *federalism* and *strong local autonomy* also hinder swift, coherent procedures and thus the realisation of many projects.

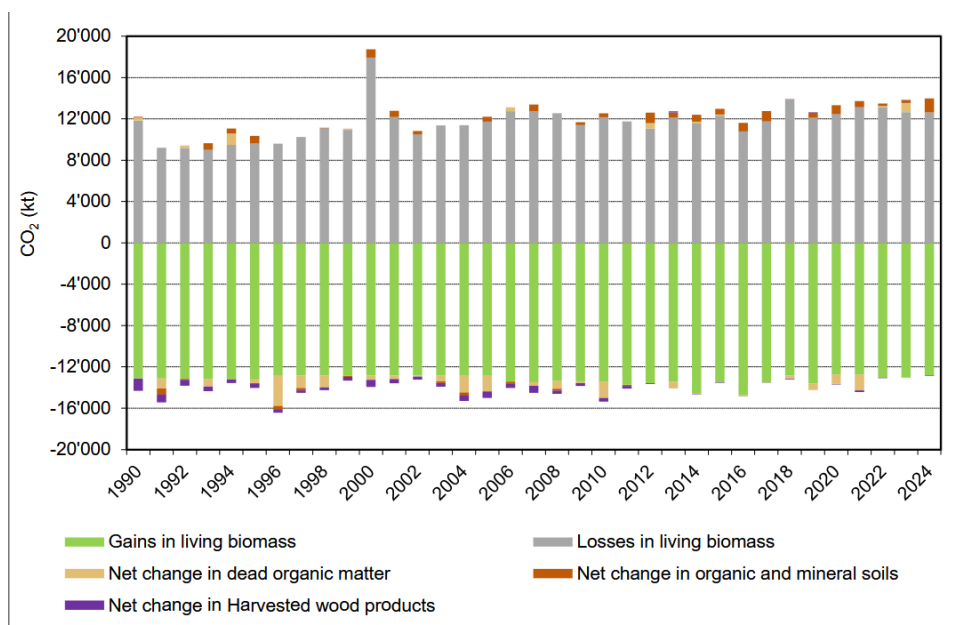
- Limited *potential for further expansion of hydropower*. In 2021, the electricity sector and NGOs identified 16 pumped-storage hydro power projects to be realised in the coming years in a coordination process labelled 'round table hydro power'. The parliament enacted a privileged regulatory framework for these projects, which are listed in the annex to the Energy Act. However, despite these favourable conditions, most projects are delayed due to technical feasibility issues, economic considerations, and challenges with legal permissions.
- *Lengthy procedures* for upgrading and extending transmission grid projects.

8. Land Use

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The **calculation** is based on 18 land use classes, derived from the area statistics of the Federal Statistical Office recorded in a hectare grid. Since 2022 the results of the fifth survey are available. This repeated assessment allows for a tracking of land use and land-use change over time. Information on changes in carbon stocks in plant biomass and soil within the land-use classes is spatially subdivided into up to 30 strata, namely: five regions (Jura, Mittelland, Pre-Alps, Central Alps and Southern Alps), three altitude zones (up to 600 m, 601 to 1200 m, over 1200 m) and two soil types (mineral and organic, i.e. soils very rich in humus). For forest land, further information on carbon stocks and carbon stock change are derived for five National Forest Inventories.

Over the period 1990-2024 total emissions and removals of CO₂ varied greatly. Overall, the LULUCF sector acted as a **net sink of on average -1927 kt CO₂/year** of this period. Forests account for the major factor of the Swiss greenhouse gas balance. With the exception of the year 2000 forest management has consistently led to a significant increase in carbon stocks in trees, deadwood, and forest soil and thus to a forest sink.



The Federal Council has formulated several possible **measures** in this context, namely (i.) forest management based on the principles of adaptive silviculture, underpinned by near-natural silviculture, (ii) promotion of CO₂ sequestration, including carbon storage in living biomass,

deadwood and soil, (iii) silviculture to enhance carbon sequestration in wood products, (iv) increase of the substitution effect of wood etc.

9. Special National Strategies, Programmes, and Ideas

Following the Federal Council's decision on the 'net-zero target' in August 2019, the government formulated a [long-term climate strategy](#) in 2021. This was largely based on the Energy Outlook 2050+, which was published by the Federal Office of Energy in 2020. This strategy outlines strategic principles and identifies emission pathways for different sectors. In 2025, the Federal Council added [amendments](#) to the long-term strategy, including updated information on the political and scientific environment.

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Alongside the official strategies and programmes, various proposals regarding the handling of climate change were discussed in the context of referenda and popular initiatives at both the cantonal and federal levels. I would like to mention just a few of these initiatives at federal level.

- The popular initiative 'Towards a sustainable and resource-efficient economy', which was voted on in 2016, demanded that public entities ensure the Swiss economy uses natural resources efficiently and causes minimal environmental harm. It called for the consumption of natural resources to be reduced by 2050 to the extent that Switzerland's '**ecological footprint**', if applied to the entire world's population, would not exceed the Earth's natural capacity. However, it was rejected by 63% of voters.
- In a similar vein, the popular initiative 'For a responsible economy within planetary boundaries (Environmental Responsibility Initiative)', which was voted on in 2025, called for economic activities to consume no more resources and release no more pollutants than is permissible for **preserving the natural resources on which life depends**. It set a **ten-year deadline** for this to be achieved. It was rejected by 70% of voters.
- The popular initiative 'For a socially responsible climate policy – financed in a fiscally fair manner' (Initiative for the Future) called for increased funding for climate policy. Under the proposal, these funds would have come from a **federal inheritance and gift tax of 50% on a person's estate and gifts**, with the first 50 million francs exempt from tax. Two-thirds of the revenue would have gone to the federal government and one-third to the cantons. These revenues would have been used 'to combat the climate crisis in a socially just manner and to restructure the entire economy'. However, the initiative was rejected by all the cantons and by a majority of 78% of the people in November 2025.
- The popular initiative 'For a fair energy and climate policy: investing in prosperity, jobs and the environment (Climate Fund Initiative)': The initiative called for the federal government to allocate significantly more funds to combating climate change and its consequences. To this end, it should have **established a fund and contribute an annual sum amounting to 0.5–1 per cent of GDP**, equivalent to 4–8 billion francs. The initiative was rejected by all the cantons and by 71.5% of voters in March 2026.
- Further initiatives are currently **pending**. The *Forest Protection Initiative* seeks to enshrine in the Federal Constitution the principle that no wind turbines may be built in or close to forests, while the *Community Protection Initiative* seeks to ensure that wind

power projects require the consent of the host municipality and neighbouring municipalities primarily affected. The recently launched *Mobility Voucher Initiative*, on the other hand, requires a levy of at least 30 francs on flight tickets and aims to use the proceeds to provide every citizen with a 100-franc voucher for public transport, as well as funding the expansion of train services (up to a maximum of 500 million francs annually).

The Federal Council has approved a report setting out the measures and conditions to promote the expansion of **carbon capture and storage (CCS)** and **negative emission technologies (NET)** — the [roadmap to capture, remove and store carbon](#)¹. The basic idea is to have a pioneering phase up to 2030, during which time the first CCS/NET applications can be used within the current legal framework. Currently, projects are eligible for subsidies for CCS measures under the Climate and Innovation Act, and they may obtain financial contributions for installations subject to the ETS, but these are limited to investments, thus excluding operations (Art. 37b CO₂ Act). In the subsequent scaling-up phase after 2030, the Federal Council anticipates the need for legal developments, e.g. with regard to CO₂ transport and storage infrastructure. The government estimates that around 12 million tonnes of CO₂ will need to be stored by 2050, plus an additional one to two million tonnes to offset emissions from international aviation.

In a concrete step regarding the storage of CO₂, **Norway and Switzerland** signed an [agreement](#) allowing the export and storage of Swiss CO₂ in Norway, as well as trade in CO₂ removed from the atmosphere ('negative emissions'). The agreement was signed in June 2025 and came into force on 16 August 2025.

10. Social and Regional Compensation Mechanisms

To the best of my knowledge, there is no such thing as a 'climate dividend' or 'climate payment' in Switzerland. However, a few concepts and instruments may play a similar role.

- One major form of compensation is the **Confederation bearing the costs** of the consequences of climate change, which eases the burden on the cantons. Following the landslide in Blatten, both the canton of Valais and the Confederation contributed funds in the form of emergency aid. Additionally, the establishment of a **Federal Natural Disaster Fund** is currently under discussion at a federal level. Cantonal financial burdens in this area vary greatly; for example, the Canton of Valais invests 43 million francs annually in natural disaster relief, which is four times more than it spends on agriculture.
- The **water royalty** constitutes compensation for the right to exclusively use the hydropower of public waters at a specific location, granted by means of a licence. Currently, revenues from water royalties amount to around 550 million francs (600 million euros) annually, primarily benefiting cantons and municipalities in mountainous regions of the country (Valais, Grisons, Ticino, etc.). This can therefore be seen as compensation for their contribution to sustainable electricity production.
- Financial compensation is also often stipulated for municipalities where **wind parks** are located. For example, the operator of the newly established wind park in the Jura compensates the local community with 2.5% of the plant's turnover.

- Finally, the **revenue from the CO₂ tax paid by the public is equally redistributed** to all persons resident in Switzerland in the form of a reduction in the mandatory health insurance premium. This means that everyone receives the same amount, regardless of their energy consumption. This mechanism benefits those who consume little fossil fuel and can be considered a form of a general “climate dividend”. However, the proceeds are modest: together with the levy on environmentally harmful components of solvents, they amount to 567 million francs annually, or 61.80 francs per person.

11. Adaptation

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Whereas adaptation was previously only loosely regulated, the **Federal Act on Climate Protection Goals, Innovation and Strengthening Energy Security now obliges the Confederation and the cantons** to 'take the necessary measures in Switzerland to adapt to and protect against the adverse effects of climate change' (art. 8 para. 1). In this context, they must act as role models with regard to adapting to the effects of climate change (art. 10 para. 1).

The Federal Council decided on an initial [adaptation strategy](#) in 2012. Based on this, an [action plan for the period 2014-2019](#) was approved in 2014, as well as a subsequent [action plan for the period 2020-2025](#) in 2020. The plan contains 75 measures relating to sectors such as water management, natural hazard management, soil protection, agriculture, forestry, energy and tourism. Most of the measures aim to improve the framework conditions for adaptation, enhance the knowledge base in this field, and develop management strategies. It should be noted, however, that many of the adaptation measures fall within the remit of the cantons and municipalities. Many cantons and cities have therefore also adopted strategies to address adaptation challenges. The canton of Zurich, for instance, [lists](#) 28 adaptation measures ranging from a concept entitled 'Street Trees and Safety', which provides support for planners considering planting additional trees along roads, to informing organisations and municipalities about heat, and monitoring the consequences of climate change on soils.

12. New liability/compensation regime in the Air Quality Directive (2024/2881) and the amended IE Directive (2024/1784)

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