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Rejection of Switzerland's revised CO₂-Act – What's next?

Introduction

With the ratification of the Paris Agreement on climate change in October 2017, Switzerland had committed itself to pursuing the climate protection targets set out in this agreement. Specifically, Switzerland is to reduce its emissions by 50 percent by 2030 compared to 1990. To this end, the Federal Act on the Reduction of Greenhouse Gas Emissions (CO₂-Act) should have been completely revised and a new reduction target should have been anchored by 2030.

For further information, please refer to the GHR Energy Law Quarterly of September 2018 "Revision of the Swiss Federal CO₂-Act".

On June 13, 2021, the Swiss electorate rejected the revision of the CO₂-Act.

Consequences of the rejection

Under the current CO₂-Act, Switzerland has a reduction target until the end of 2021, meaning that important measures will expire at the end of this year: For example, Swiss companies will no longer be able to be exempted from the CO₂-tax from 2022. Furthermore, fuel importers are no longer obliged to invest in climate protection projects.

The rejection of the proposed revised CO₂-Act thus removes the measurable reduction target, meaning that Switzerland no longer has a national climate target beyond 2021.

However, the international climate target of a 50 percent reduction by 2030 compared to 1990, to which Switzerland has committed itself, remains in place.

Against this background, the question arises as to whether and how such climate target can be achieved and the obligations under the Paris Agreement can be met.

What's next?

The Swiss National Council's Environment Committee (Urek-N) has launched a parliamentary initiative to amend the current CO₂-Act so that temporary regulations can be seamlessly continued and extended until the end of 2024. Urek-N has passed a motion to this effect.

The next step will be for the Committee of the Council of States to decide on the initiative. If it approves the proposal, Urek-N can draft a bill.

In view of the reduction targets expiring at the end of 2021, a corresponding amendment to the law is to be passed in the Parliament's winter session at the latest.

Moreover, the current Glacier Initiative aims to anchor the goals of the Paris Agreement in the Federal Constitution.

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