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Federal Act on the Reduction of CO₂ Emissions (CO₂ Act)

of 23 December 2011 (Status as of 1 January 2021)

*The Federal Assembly of the Swiss Confederation,
on the basis of Articles 74 and 89 of the Federal Constitution¹
and having considered the Federal Council Dispatches dated 26 August 2009²
and 20 January 2010³,
decrees:*

Chapter 1 General Provisions

Art. 1 Aim

¹ This Act is intended to reduce greenhouse gas emissions and in particular CO₂ emissions that are attributable to the use of fossil fuels (thermal and motor fuels) as energy sources with the aim of contributing to limiting the global rise in temperature to less than 2 degrees Celsius.

² The Federal Council designates the greenhouse gases.

Art. 2 Definitions

¹ Thermal fuels are fossil fuels used for the generation of heat, the production of light, the production of electricity in thermal facilities or the operation of combined heat and power plants (CHP plants).⁴

² Motor fuels are fossil fuels used in combustion engines to produce power.

AS 2012 6989

¹ SR 101

² BBl 2009 7433

³ BBl 2010 973

⁴ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS 2017 6839; BBl 2013 7561).

³ Emission allowances are tradable rights to emit greenhouse gases allocated or auctioned by the Confederation or by states or communities of states with emissions trading schemes (ETS) recognised by the Federal Council.⁵

⁴ Emission reduction certificates are internationally recognised tradable documents attesting to reductions in emissions achieved abroad.

⁵ Installations are fixed technical units at a single location.⁶

Art. 3 Reduction target

¹ Domestic greenhouse gas emissions must be reduced overall by 20 per cent as compared with 1990 levels, by 2020. The Federal Council may set sector-specific interim targets.

^{1bis} Domestic greenhouse gas emissions must be reduced in 2021 by a further 1.5 per cent compared with 1990 levels. The Federal Council may specify sectoral interim targets.⁷

² The Federal Council may increase the reduction target to 40 per cent in order to comply with international agreements. A maximum of 75 per cent of the additional reductions in greenhouse gas emissions may be achieved through measures carried out abroad.

³ The total volume of greenhouse gas emissions is calculated on the basis of the greenhouse gases emitted in Switzerland. Emissions from the use of aviation fuel on international flights are not taken into account.

^{3bis} The Federal Council shall determine the extent to which emission allowances from states or communities of states with ETSs recognised by the Federal Council shall be taken into account in order to achieve the reduction target in accordance with paragraph 1.⁸

⁴ The Federal Council may set reduction targets for individual economic sectors by agreement with the parties concerned.

⁵ It shall at the due time submit proposals to the Federal Assembly on the reduction targets for the period after 2020. It shall consult the parties concerned beforehand.

⁵ Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

⁶ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

⁷ Inserted by No I 2 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

⁸ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

Art. 4 Measures

¹ The reduction target should in the first instance be achieved through measures under this Act.

² Measures that reduce greenhouse gas emissions in accordance with other legislation should also contribute to achieving the reduction target. These measures in particular include those in the fields of environment and energy, agriculture, forestry and timber industry, road traffic and the taxation of mineral oil, as well as voluntary measures.

³ Voluntary measures also include undertakings by consumers of fossil thermal and motor fuels voluntarily to limit their CO₂ emissions.

⁴ The Federal Council may assign suitable organisations to support and carry out voluntary measures.

Art. 5 Counting emission reductions achieved abroad

The Federal Council may take appropriate account of reductions in greenhouse gas emissions that have been achieved abroad when calculating emissions under this Act.

Art. 6 Quality requirements for reductions in emissions abroad

¹ The Federal Council specifies quality requirements for measures to reduce greenhouse gas emissions carried out abroad. Measures that do not meet these requirements are not considered emission reductions.

² The quality requirements must satisfy the following quality criteria in particular:

- a. reductions may only be counted if they would not have been achieved without support from Switzerland;
- b. reductions in developing countries must contribute to sustainable development in those countries and must not have negative social or ecological impacts.

Art. 7 Attestations for domestic emission reductions

¹ The Federal Council or the competent department issues documents attesting reductions in greenhouse gas emissions achieved voluntarily in Switzerland.

² It specifies the extent to which these attestations are considered equivalent to emission allowances or emission reduction certificates.

Art. 8 Coordination of adaptation measures

¹ The Confederation coordinates the measures to avoid or deal with the harm to persons or damage to property of substantial value that may be caused by the increased concentration of greenhouse gases in the atmosphere.

² It is responsible for devising and obtaining the basic knowledge necessary for these measures.

Chapter 2 Technical Measures to reduce CO₂ Emissions

Section 1 Buildings

Art. 9

¹ The cantons ensure that the CO₂ emissions from buildings that are heated with fossil fuels are reduced in compliance with the targets. Accordingly, they issue building standards for new and older buildings based on the current state of the art.

² The cantons submit a report each year to the Confederation on the measures taken.

Section 2⁹ Passenger Cars, Vans and Light Articulated Vehicles

Art. 10 Principle

¹ The CO₂ emissions from passenger cars that are registered for the first time must be reduced to an average of 130 g CO₂/km by the end of 2015 and to an average of 95 g CO₂/km by the end of 2020.

² The CO₂ emissions from vans and articulated vehicles with a total weight of no more than 3.50 t (light articulated vehicles) that are registered for the first time must be reduced to an average of 147 g CO₂/km by the end of 2020.

³ For this purpose, any importer or manufacturer of vehicles under paragraphs 1 and 2 (referred to below as “vehicles”) must reduce the average CO₂ emissions of the vehicles that it imports into or manufactures in Switzerland that are registered for the first time in the reference year in accordance with its individual target (Art. 11).

⁴ The targets in paragraphs 1 and 2 are based on the current customary measurement methods. In the event of a change in the measurement methods, the Federal Council shall specify in the implementing provisions the targets that correspond to the targets in these paragraphs. It shall indicate the applicable measurement methods, taking account of the European Union regulations.¹⁰

Art. 10a Interim targets, facilitations and exceptions

¹ The Federal Council may specify binding interim targets in addition to the target values under Article 10.

² It may issue special provisions on the transition to new targets that facilitate the meeting of targets for a limited period.

⁹ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

¹⁰ Inserted by No I 2 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

³ It may exclude certain vehicles from the scope of the regulations on reducing CO₂ emissions.

⁴ In doing so, it shall take account of the regulations of the European Union.

Art. 10b Reporting and proposals for a further reduction of CO₂ emissions

¹ The Federal Council shall submit a report to the Federal Assembly for the first time in 2016 and every three years thereafter on the extent to which the targets specified in Article 10 and the interim targets under Article 10a paragraph 1 have been met.

² It shall at the due time submit to the Federal Assembly proposals for a further reduction in CO₂ emissions from vehicles for the period after 2020. In doing so, it shall take account of the regulations of the European Union.

Art. 11 Individual target

¹ The Federal Council shall establish a method for calculating the individual target for each importer or manufacturer of vehicles. The calculation relates to the vehicles of the importer or manufacturer first registered in the reference year (the new vehicle fleet). Passenger cars on the one hand and vans and light articulated vehicles on the other each constitute their own new vehicle fleet.

² In determining the calculation method, the Federal Council shall take account of the following in particular:

- a. the properties of the vehicles imported into or manufactured in Switzerland such as unladen weight, pan area or ecological innovations;
- b. the regulations of the European Union.

³ Importers and manufacturers may agree to form emissions pools. The same rights and obligations apply to each emissions pool as for each importer or manufacturer.

⁴ Where an importer or manufacturer registers for the first time in any year no more than 49 passenger cars or, where applicable, no more than five vans or light articulated vehicles of the vehicles that it imports into or manufactures in Switzerland, the individual targets are determined for each vehicle on the basis of the calculation method specified in paragraph 1.

Art. 12 Calculation of the individual target and the average CO₂ emissions

¹ At the end of each year, the Swiss Federal Office of Energy shall calculate for each importer or manufacturer:

- a. the individual target;
- b. the average CO₂ emissions of the relevant new vehicle fleet.

² The Federal Council shall specify the data that importers or manufacturers must provide for the calculations specified in paragraph 1 for vehicles with no type approval. It may set a flat rate emission value for the calculation specified in paragraph 1 letter b if the data is not submitted by a certain deadline.

³ The Federal Council may specify the extent to which special account may be taken of vehicles with very low CO₂ emissions when making the calculation specified in paragraph 1 letter b.

Art. 13 Penalty for exceeding the individual target

¹ If the average CO₂ emissions from the new vehicle fleet of an importer or manufacturer exceed the individual target, the manufacturer or the importer must pay the Confederation the following amounts for each vehicle registered for the first time in the relevant calendar year:

- a. for 2013–2018:
 1. for the first gram of CO₂/km over the individual target: between 5.00 and 8.00 francs,
 2. for the second gram of CO₂/km over the individual target: between 15.00 and 24.00 francs,
 3. for the third gram of CO₂/km over the individual target: between 25.00 and 40.00 francs,
 4. for the fourth and every further gram of CO₂/km over the individual target: between 95.00 and 152.00 francs;
- b. from 1 January 2019: for each gram of CO₂/km over the individual target between 95.00 and 152.00 francs.

² The amounts in paragraph 1 shall be re-calculated each year. The Federal Council shall regulate the method used for their calculation. It shall base its decision on the amounts applied in the European Union and the exchange rate. The calculation and publication of the amounts is carried out before the start of the year concerned by the Federal Department of the Environment, Transport, Energy and Communications.

³ For importers and manufacturers under Article 11 paragraph 4, the amounts in paragraphs 1 and 2 apply to each individual vehicle whose CO₂ emissions exceed the individual target. If certain provisions issued in accordance with Article 10a lead to a situation where importers and manufacturers under Article 11 paragraph 4 are prejudiced in comparison with other importers or manufacturers because of the special rules that apply to them on calculating the target, the Federal Council may reduce the sanction for those affected.

⁴ The members of emissions pools are jointly and severally liable.

⁵ In addition, Articles 10 and 11 of the Mineral Oil Tax Act of 21 June 1996¹¹ apply by analogy.

⁶ The Federal Council may provide that the sales documentation for vehicles indicates the amount which would have to be paid in accordance with paragraphs 1–3 if the sanction were fixed on the basis of the CO₂ emissions of the individual vehicle.

¹¹ SR 641.61

Chapter 3 Sinks

Art. 14

Timber used in construction may be counted as a carbon sink.

Chapter 4 Emissions Trading and Compensation

Section 1 Emissions Trading Scheme (ETS)

Art. 15¹² Participation by application

¹ Operators of installations that belong to a specific category and which cause high or moderate greenhouse gas emissions may apply to participate in the ETS.

² Each year the companies must surrender to the Confederation emission allowances corresponding to the emissions caused by these installations.¹³

³ The Federal Council shall determine the categories of installation. In doing so, it takes account of:

- a. the correlation between the CO₂ levy burden and the value added by the installations in the relevant category;
- b. the extent to which the CO₂ levy adversely affects the international competitiveness of the installations in the category concerned.

Art. 16¹⁴ Obligation to participate: installation operators

¹ Operators of installations that belong to a specific category and which cause high greenhouse gas emissions are obliged to participate in the ETS.

² Each year these companies must surrender to the Confederation emission allowances corresponding to the emissions caused by these installations.¹⁵

³ The Federal Council shall determine the categories of installation.

¹² Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

¹³ Amended by No I 2 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

¹⁴ Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

¹⁵ Amended by No I 2 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

Art. 16a¹⁶ Obligation to participate: aircraft operators

¹ Operators of aircraft that take off or land in Switzerland are obliged to participate in the ETS in accordance with international agreements.

² The Federal Council shall regulate:

- a. the exceptions for flights that are covered by an ETS recognised by the Federal Council;
- b. the exceptions for flights that neither enter nor leave the European Economic Area (EEA), and further exceptions; in doing so, it shall give due consideration to the rules of the European Union.

³ Each year, operators must surrender the emission allowances to the Confederation corresponding to the emissions caused by the aircraft.¹⁷

⁴ If based on international agreements there are two or more international systems for reducing greenhouse gas emissions from aircraft, the Federal Council shall ensure that the aircraft operators are not subject to more than one of these systems for greenhouse gas emissions from flights.

Art. 17¹⁸ Refund of the CO₂ levy

¹ Installation operators that participate in the ETS shall on application be refunded the CO₂ levy on thermal fuels.

² In the case of fossil-thermal power plants, the levy is refunded only to the extent that the CO₂ price exceeds a certain minimum price. The minimum price is equivalent to the average external costs minus the auction costs for the surrendered emission allowances.

Art. 18¹⁹ Determining the available quantity of emission allowances

¹ The Federal Council shall determine in advance the quantity of emission allowances for installations and the quantity of emission allowances for aircraft to be made

¹⁶ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

¹⁷ Amended by No 12 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

¹⁸ Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

¹⁹ Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

available each year; in doing so, it shall give due consideration to the reduction target in accordance with Article 3 and comparable international arrangements.²⁰

² It may adjust the available quantity of emission allowances if it designates new categories of installation in accordance with Article 16 paragraph 3, retrospectively exempts categories of installation from the requirement to participate in the ETS, or if comparable international arrangements are modified.

³ It shall retain an appropriate quantity of emission allowances each year for installations and for aircraft in order to make these available to future ETS participants and fast-growing ETS participants.

Art. 19²¹ Issuing emission allowances for installations

¹ The emission allowances for installations are issued annually.

² Some of the emission allowances are allocated free of charge. The other emission allowances are auctioned.

³ The quantity of emission allowances allocated free of charge to an installation operator is determined in particular by the greenhouse gas efficiency of reference installations.

⁴ Installation operators shall not be allocated emission allowances free of charge for the production of electricity. The Federal Council may provide for exceptions.

⁵ If the quantity of emission allowances available on the market increases considerably for economic reasons, the Federal Council may stipulate that only some of the remaining emission allowances be auctioned. The emission allowances that are not offered for auction and those that are not sold at auction shall be cancelled.

⁶ The Federal Council regulates the details; in doing so it shall give due consideration to comparable international arrangements.

Art. 19a²² Issuing emission allowances for aircraft

¹ The emission allowances for aircraft are issued annually.

² Some of the emission allowances are allocated free of charge. The other emission allowances are auctioned.

²⁰ Amended by No I 2 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

²¹ Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

²² Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

³ The quantity of emission allowances allocated free of charge to an aircraft operator is determined in particular by the tonne-kilometres flown in 2018.

⁴ The Federal Council shall regulate the details; it shall give due consideration to the rules of the European Union.

Art. 20²³ Reporting

Installation operators and aircraft operators must submit annual greenhouse gas emission reports to the Confederation.

Art. 21²⁴ Penalty for failure to surrender emission allowances

¹ Installation operators and aircraft operators must pay the Confederation the sum of 125 francs per tonne CO₂ equivalent (CO₂eq) for emissions that are not covered by emission allowances.

² Emission allowances due but not surrendered in any year must be surrendered to the Confederation in the following year.

Section 2 ...

Art. 22–25²⁵

Section 3 Compensation in the case of Motor Fuels

Art. 26 Principle

¹ Any person who in accordance with the Mineral Oil Tax Act of 21 June 1996²⁶ releases motor fuels for consumption must compensate for part of the CO₂ emissions that are attributable to the use of the motor fuels as energy source.

² The Federal Council after consulting the sector sets the compensation rate at between 5 and 40 per cent based on the extent to which the reduction target specified

²³ Amended by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

²⁴ Amended by No 12 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

²⁵ Repealed by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, with effect from 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

²⁶ SR **641.61**

in Article 3 has been achieved and decides on the extent of domestic compensation measures.

³ The permitted compensation surcharge on motor fuels amounts to a maximum of 5 centimes per litre.

⁴ The Federal Council may exempt the release for free circulation of minor quantities of motor fuel from the duty to provide compensation.

Art. 27 Obligation to compensate

Persons liable to pay tax under the Mineral Oil Tax Act of 21 June 1996²⁷ are obliged to compensate. They may agree to form compensation pools.

Art. 28 Penalty for failure to compensate

¹ Any person who fails to fulfil an obligation to compensate must pay the Confederation the sum of 160 francs for each uncompensated tonne of CO₂.

² The missing emission reduction certificates must be surrendered to the Confederation in the following year.

Section 3a²⁸ Emissions Trading Register

Art. 28a

¹ The Confederation shall maintain a public emissions trading register. The register shall be used to keep records of and to conduct transactions in emission allowances, attestations and emission reduction certificates.

² Persons may only be entered in the emissions trading register if they have their registered office or are resident in Switzerland or in the EEA and hold a bank account in Switzerland or in the EEA. The Federal Council shall regulate any exceptions.

³ The Federal Council may stipulate that payments of money in connection with the auctioning of emission allowances may only be made via bank accounts in Switzerland or in the EEA.

²⁷ SR 641.61

²⁸ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS 2019 4327; BBl 2018 411).

Chapter 5 CO₂ Levy

Section 1 Imposition of the Levy²⁹

Art. 29 CO₂ levy on thermal fuels

¹ The Confederation shall impose a CO₂ levy on the production, extraction and import of thermal fuels.

² The rate of the levy amounts to 36 francs per tonne of CO₂. The Federal Council may increase the rate to a maximum of 120 francs if the interim targets set for the thermal fuels in accordance with Article 3 are not met.

Art. 30 Levy liability

The following are liable to pay the levy:

- a. levy on coal: persons required to declare imports under the Customs Act of 18 March 2005³⁰ as well as domestic manufacturers and producers;
- b. levy on other fossil fuels: persons liable to pay the mineral oil tax in accordance with the Mineral Oil Tax Act of 21 June 1996³¹.

Section 2

Refund of the CO₂ Levy to Operators³² with an Obligation to reduce Greenhouse Gas Emissions³³

Art. 31 Obligation to reduce greenhouse gas emissions³⁴

¹ Installation operators³⁵ in certain economic sectors shall be refunded the CO₂ levy on application provided that they undertake to the Confederation to reduce green-

²⁹ Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

³⁰ SR **631.0**

³¹ SR **641.61**

³² Term in accordance with Annex para. 2 of the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems (Amendment of the CO₂ Act), in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411). This amendment has been made in the provisions specified in the AS.

³³ Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

³⁴ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

³⁵ Term in accordance with Annex para. 1 of the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems (Amendment of the CO₂ Act), in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411). This amendment has been made in the provisions specified in the AS.

house gas emissions by a specific amount by 2020 (reduction obligation) and to submit an annual report on their efforts.³⁶

^{1bis} The reduction obligations in paragraph 1 may be extended until the end of 2021 provided that the scope of the reduction is continued on a linear basis and a corresponding application is submitted by 31 May 2021.³⁷

² The Federal Council shall designate the economic sectors. In doing so, it takes account of:

- a. the correlation between the CO₂ levy burden and the value added to the relevant economic sector;
- b. the extent to which the CO₂ levy adversely affects the international competitiveness of the relevant economic sector.

³ The scope of the reduction obligation is determined in particular by:³⁸

- a. the average greenhouse gas emissions allowed for the years 2008–2012;
- b. the reduction target in accordance with Article 3.

⁴ The Federal Council shall determine the extent to which operators may fulfil their reduction obligation by surrendering emission reduction certificates.³⁹

⁵ At the operator's request, the Confederation may also take account of emission reductions achieved through product improvements outside the operator's own production plants.

⁶ The Federal Council may decide not to issue a refund if the cost of doing so is unreasonable given the amount involved.

³⁶ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

³⁷ Inserted by No I 2 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS **2020** 1269; BBl **2019** 5679 5813).

³⁸ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

³⁹ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

Art. 31^{a40} CHP plant operators with a reduction obligation⁴¹

¹ The reduction obligation shall on application be adjusted for operators that:

- a. run a CHP plant that meets the requirements of Article 32a; and
- b. produce electricity in an excess volume determined by the Federal Council in comparison with the reference year 2012 that is used outside the plant⁴².

² 40 per cent of the CO₂ levy on thermal fuels that are verifiably used to produce electricity in accordance with paragraph 1 shall in this case only be refunded if the operator concerned demonstrates to the Confederation that it has taken measures to the extent of these funds to increase its own energy efficiency or the energy efficiency of installations⁴³ that obtain electricity or heat from the CHP plant.

³ The Federal Council shall regulate the details, in particular:

- a. the efficiency measures that give rise to a refund;
- b. the period within which efficiency measures must be taken; and
- c. reporting.

⁴ Levy payments that are not refunded due to a failure to meet the requirements in paragraph 2 shall be redistributed to the general public and the business community in accordance with Article 36.

Art. 32 Penalty for failure to meet the commitment

¹ Operators specified in Article 31 that do not meet their reduction obligation to the Confederation must pay the Confederation the sum of 125 francs for each excess tonne of CO₂eq emitted.⁴⁴

² For the excess tonnes CO₂eq emitted, emission reduction certificates must be surrendered to the Confederation in the following year.

⁴⁰ Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

⁴¹ Amended by Annex para. 3 of the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

⁴² Term in accordance with Annex para. 4 of the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

⁴³ Term in accordance with Annex para. 5 of the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411). This amendment has been made in the provisions specified in the AS.

⁴⁴ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

Section 3⁴⁵**Refund of the CO₂ levy to CHP Plant Operators that neither participate in the ETS nor are subject to a Reduction Obligation****Art. 32a** Eligible CHP plant operators

¹ Operators of CHP plants that neither participate in the ETS nor are subject to a reduction obligation shall be partially refunded the CO₂ levy in accordance with Article 32b provided the plant:

- a. is primarily designed to produce heat;
- b. meets the minimum energy, ecological or other requirements.

² The Federal Council shall specify the performance limits and the minimum requirements.

Art. 32b Amount of and requirements for the partial refund

¹ On application, in each case 60 per cent of the CO₂ levy on thermal fuels that are verifiably used to produce electricity shall be refunded.

² The remaining 40 per cent shall be refunded only if the operator demonstrates to the Confederation that it has taken measures to the extent of these funds to increase its own energy efficiency or the energy efficiency of installations that obtain electricity or heat from the CHP plant.

³ The Federal Council shall regulate the details in an analogous procedure to Article 31a paragraph 3. Article 31a paragraph 4 applies to levy payments that are ineligible for refunding.

Section 4⁴⁶ Refund of the CO₂ levy for Non-Energy-Related Uses**Art. 32c**

Persons that demonstrate that they have used thermal fuels but not to produce energy shall on application be refunded the CO₂ levy on these thermal fuels.

⁴⁵ Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS 2017 6839; BBl 2013 7561).

⁴⁶ Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS 2017 6839; BBl 2013 7561).

Section 5 Procedure⁴⁷

Art. 33 ...⁴⁸

¹ The procedural provisions of the mineral oil tax legislation apply to the collection and refund of the CO₂ levy, subject to paragraph 2.

² The procedural provisions of the customs legislation apply to the import and export of coal.

Chapter 6 Use of the Revenues

Art. 34⁴⁹ Reduction of CO₂ emissions from buildings

¹ A third of the revenue from the CO₂ levy, but no more than 450 million francs per year, shall be used to finance measures to reduce long-term CO₂ emissions from buildings including the reduction of electricity consumption in the winter half year. For this purpose, the Confederation shall grant the cantons global financial assistance in accordance with Articles 47, 48 and 50 of the Energy Act of 30 September 2016⁵⁰ (EnA).

² In order to reduce CO₂ emissions from buildings in the long term, the Confederation shall support projects for the direct use of geothermal energy for providing heat. It shall use a small percentage of the funds mentioned in paragraph 1, but no more than 30 million francs. The Federal Council shall specify the criteria for and the details of the support as well as the maximum annual amount of financial assistance.

³ The payment of the global financial assistance shall be made in accordance with Article 52 EnA subject to the following special regulations:

- a. In addition to the requirements of Article 52 EnA, global financial assistance shall only be paid to cantons that have programmes supporting the energy-related upgrading of building shells and building technology as well as the replacement of existing electrical resistance heating or oil heating systems, thereby guaranteeing harmonised implementation.
- b. In derogation from Article 52 paragraph 1 EnA, the global financial assistance shall be divided into a basic contribution per resident and a supplementary contribution. The basic contribution per resident amounts to a maximum of 30 per cent of the available funds. The supplementary contribution may not be higher than double the annual credit approved by the canton for carrying out its programme.

⁴⁷ Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

⁴⁸ Repealed by Annex No II 2 of the Energy Act of 30 Sept. 2016, with effect from 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

⁴⁹ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

⁵⁰ SR **730.0**

⁴ If the funds available in accordance with paragraph 1 are not exhausted, they will be redistributed to the general public and the business community in accordance with Article 36.

Art. 35 Promotion of technologies for reducing greenhouse gases

¹ A maximum of 25 million francs per annum is allocated from CO₂ levy revenues to the Technology Fund in order to finance loan guarantees.

² The Technology Fund is managed by the Federal Department of the Environment, Transport, Energy and Communications.

³ The money in the Technology Fund is used by the Confederation to guarantee loans to companies for developing and marketing equipment and processes to:

- a. reduce greenhouse gas emissions;
- b. facilitate the use of renewable energies; or
- c. encourage the economical use of natural resources.

⁴ The loan guarantees are granted for a maximum term of 10 years.

Art. 36 Distribution to the public and to the private sector

¹ The remaining revenue from the CO₂ levy is redistributed to the general public and the business community in proportion to their original payments.

² The portion due to the public is distributed uniformly to all natural persons. The Federal Council regulates the details and procedure for distribution. It may commission the cantons, public corporations or private individuals to carry out the distribution in return for appropriate remuneration.

³ The portion due to the business community is distributed to employers via the compensation funds of the Federal Old Age and Survivors' Insurance (Art. 5 FA of 20 Dec. 1946⁵¹ on the Old Age and Survivors Insurance; OASIA) in proportion to the employees' qualifying salary for OASI. The compensation offices receive appropriate remuneration for this task.

Art. 37⁵² Allocation of penalty revenues to the infrastructure fund

The revenues from the penalty under Article 13 is allocated to the National Highways and Suburban Transport Fund.

Art. 38 Calculation of revenues

The revenues are calculated by deducting the implementation costs from the income including interest.

⁵¹ SR **831.10**

⁵² Amended by Annex No II 2 of the FA of 30 Sept. 2016 on the National Highways and Suburban Transport Fund, in force since 1 Jan. 2018 (AS **2017** 6825; BBl **2015** 2065).

Chapter 7 Implementation and Promotion

Art. 39 Enforcement

¹ The Federal Council shall implement this Act and issue the implementing provisions. Before doing so, it shall consult the cantons and interested groups.

^{1bis} In order to implement international agreements on the linking of emissions trading systems, the Federal Council may:

- a. issue regulations on how the tasks assigned to Switzerland are to be fulfilled;
- b. delegate certain tasks to foreign or international authorities.⁵³

² For specific tasks, the Federal Council may call on the services of the cantons or private organisations.

³ It regulates the sanctions procedure.

⁴ The Federal Office for the Environment is responsible for the assessment of matters relating to climate protection.

⁵ It shall issue regulations on the form of applications, notifications and reports. It may order the use of electronic data processing. In such an event, it shall specify requirements in particular for the interoperability of the IT systems and for data security.⁵⁴

Art. 40 Evaluation

¹ The Federal Council periodically evaluates:

- a. the effectiveness of the measures under this Act;
- b. the necessity of additional measures.

² In doing so, it also considers climate-relevant factors such as demographic, economic and traffic growth.

³ It bases its assessment on statistical surveys.

⁴ It submits regular reports to the Federal Assembly.

⁵³ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

⁵⁴ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

Art. 40a⁵⁵ Requirement to provide information

¹ The federal authorities are entitled to receive the information they require to implement this Act.

² The following are required to provide information in particular:

- a. installation operators in accordance with Articles 15 and 16;
- b. aircraft operators in accordance with Article 16a;
- c. persons liable to pay the levy in accordance with Article 30;
- d. installation operators with a reduction obligation under Article 31 paragraph 1;
- e. CHP plant operators in accordance with Article 32a;
- f. persons applying for a refund of the CO₂ levy under Article 32c.

³ The required documents must be made available to the federal authorities free of charge, and the authorities must be granted access to the relevant premises during normal working hours.

Art. 40b⁵⁶ Processing of personal data

¹ The competent federal authorities may process personal data for the purposes of this Act, including sensitive data on administrative or criminal prosecutions and sanctions.

² They may store the data electronically.

³ The Federal Council shall determine the categories of personal data that may be processed and the length of time they may be stored.

Art. 41 Basic and advanced training

¹ The Confederation, in cooperation with the cantons, promotes the basic and advanced training of persons assigned duties under this Act.

² The authorities inform the general public about precautionary measures relating to climate protection and advise communes, companies and consumers on measures to reduce CO₂ emissions.

⁵⁵ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

⁵⁶ Inserted by the Annex to the FD of 22 March 2019 on the approval of the Agreement between the European Union and the Swiss Confederation on the linking of their greenhouse gas emissions trading systems, in force since 1 Jan. 2020 (AS **2019** 4327; BBl **2018** 411).

Chapter 8 Criminal Provisions

Art. 42 Evasion of the CO₂ levy

¹ Any person who wilfully obtains for himself or for another an unlawful advantage with regard to the levy, in particular by evading the CO₂ levy or by obtaining an unlawful exemption from or distribution or refund of the levy, shall be liable to a fine not exceeding three times the amount of the unlawful advantage.

² Attempts and complicity are offences.

³ Any person who obtains for himself or for another an unlawful advantage with regard to the levy through negligence shall be liable to a fine not exceeding the amount of the unlawful advantage.

Art. 43 Prejudicing the collection of the CO₂ levy

¹ Unless the offence carries a higher penalty under another provision, a fine may be imposed on any person who, whether wilfully or through negligence:

- a. unlawfully fails to register as a person liable to pay the levy;
- b. fails to keep, prepare, retain or file accounts, receipts, business documents and other required records in the proper manner, or fails to comply with his duty to provide information;
- c. in an application for an exemption from, or distribution or refund of the levy, or in its capacity as a legal entity obliged to provide information, makes untrue statements, conceals important facts or presents false documentary evidence about such facts;
- d. fails to declare data or objects relevant for the levy, or declares them incorrectly;
- e. declares in invoices or other documents a CO₂ levy that has not been paid or that has not been paid to the extent declared; or
- f. obstructs, impedes or prevents the proper conduct of an inspection.

² In serious cases, or in the event of a subsequent offence, a fine of up to 30,000 francs or, if it is higher, an amount up to the value of the levy evaded may be imposed.

Art. 44 False information relating to vehicles⁵⁷

¹ Any person who wilfully provides false information for the purpose of the calculations specified in Article 12 shall be liable to a fine not exceeding 30,000 francs.

² If the offender acts through negligence, the penalty is a fine.

⁵⁷ Amended by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS **2017** 6839; BBl **2013** 7561).

Art. 45 Relationship with the Federal Act on Administrative Criminal Law

¹ Offences are prosecuted and adjudicated in accordance with the Federal Act of 22 March 1974⁵⁸ on Administrative Criminal Law.

² The prosecuting and adjudicating authority is the Federal Customs Administration.

³ If an act constitutes both an offence under Articles 42 or 43 and an offence against other federal tax legislation that is subject to prosecution by the Federal Customs Administration, the penalty for the more serious offence is imposed and increased appropriately.

Chapter 9 Final Provisions**Art. 46** Repeal of current legislation

The CO₂ Act of 8 October 1999⁵⁹ is repealed.

Art. 47 Amendment of current legislation

...⁶⁰

Art. 48 Carrying over unused emission allowances and emission reduction certificates

¹ Emission allowances not used in the period 2008–2012 may be carried over without limitation to the period 2013–2020.

² Emission reduction certificates not used in the period 2008–2012 may be carried over to the period 2013–2020 subject to limitations. The Federal Council regulates the details.

Art. 48a⁶¹ Carrying over unused emission allowances and emission reduction certificates 2013–2020

¹ Emission allowances that have not been used in the 2013–2020 period may be carried over without limitation to 2021.

² Emission reduction certificates that have not been used in the 2013–2020 period may be carried over without limitation to 2021. The Federal Council shall regulate the details.

⁵⁸ SR 313.0

⁵⁹ [AS 2000 979, 2007 1411 Annex No 10, 2009 5043 Art. 10, 2010 951, 2011 13, 2012 351]

⁶⁰ The amendment may be consulted under AS 2012 6989.

⁶¹ Inserted by No 12 of the FA of 20 Dec. 2019 on the Extension of the Time Limit for Tax Relief for Natural Gas, Liquid Gas and Biogenic Fuels and on the Amendment of the Federal Act on the Reduction of CO₂ Emissions, in force since 1 Jan. 2021 (AS 2020 1269; BBl 2019 5679 5813).

Art. 49 Transitional provision on the imposition and refund of the CO₂ levy and the distribution of the revenue

¹ For fossil fuels that have been released for consumption or free circulation prior to the commencement of this Act, the CO₂ levy is collected or refunded in accordance with the previous law.

² The revenue from the CO₂ levy prior to the commencement of this Act is distributed to the public and the business community in accordance with the previous law.

Art. 49a⁶² Transitional provisions to the Amendment of 30 September 2016

¹ For vans and light articulated vehicles, reports under Article 10b paragraph 1 shall be submitted for the first time in 2019.

² The revenue from the CO₂ levy earmarked under Article 34 in its version of 23 December 2011⁶³ that is not used before the Amendment of 30 September 2016 comes into force shall be used in accordance with the new law.

³ Up to 100 million francs of the revenue from 2017 earmarked under Article 34 may be used in accordance with Article 34 paragraph 3 letter a in its version of 23 December 2011. In addition, the cantons may be refunded implementation costs that remain following the early replacement of the programme agreements by global financial assistance.

Art. 50 Referendum and commencement

¹ This Act is subject to an optional referendum.

² The Federal Council shall determine the commencement date.

Commencement date: 1 January 2013⁶⁴

⁶² Inserted by Annex No II 2 of the Energy Act of 30 Sept. 2016, in force since 1 Jan. 2018 (AS 2017 6839; BBl 2013 7561).

⁶³ AS 2012 6989

⁶⁴ FCD of 20 Nov. 2012.