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A compilation of questions to - and answers by – Switzerland
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Question from: United States of America at Tuesday, 28 October 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: Double counting prevention

How do you plan to prevent double counting with the host countries of projects that generated CERs that your country plans to use towards meeting its pledge in the pre-2020 period?

If a host country refuses to adjust its reporting towards its progress to its targets to reflect CERs it exported, do you still plan to count them?

Answered by: Switzerland at Friday, 28 November 2014

Switzerland accounts CERs according to the Kyoto Protocol and its relevant decisions. In the first commitment period there is no double counting, because only the developed country (the buyer country) committed to reduce its emissions. In the context of the second commitment period of the Kyoto Protocol and the pledges until 2020, Switzerland intends to account CERs as in the first commitment period, with the understanding that the host country (the seller country) will not account these emission reductions towards its 2020-pledge in order to avoid double counting.

Generally speaking, Switzerland is aware that the current lack of accounting rules for this new situation with pledges by both, buyer and seller countries, is of concern for the system's environmental integrity. In this regard, Switzerland has been consistently supporting over several years progress in the UNFCCC negotiations on, among others, mitigation commitments and new market mechanisms, aiming at the establishment of rules to avoid double counting, i.e. clear rules that allow the accounting of reductions EITHER by the host country OR by the buyer country. These rules need to be established as soon as possible to ensure the environmental integrity of mitigation contributions and to maintain ambition. In addition, Switzerland advocates that market mechanisms should lead to "net mitigation". This would involve a win-win situation where part of the emission reduction is accounted for by the seller country, another part by the buyer country and a third part remains as "net mitigation", i.e. a benefit for the atmosphere.

Question from: Japan at Tuesday, 30 September 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: Assumptions of GHG projections

Many variables are reported as assumptions of GHG projections in the NC. How were these variables set?

Are these assumptions consistent with socio-economic predictions in other national plans?

Answered by: Switzerland at Friday, 28 November 2014

The variables, such as for example the population scenario or the energy prices, were chosen in full agreement with the latest energy perspectives for Switzerland. This choice was made in order to obtain consistent scenarios for energy and climate policy. The general socio-economic parameters correspond fully to those used in other national projections.

Question from: Brazil at Tuesday, 30 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: Lack of quantification

Please, provide the reasons for the lack of quantified reduction of emissions regarding many planned actions that have been reported in Table 3 under the CTF.

Answered by: Switzerland at Friday, 28 November 2014

Studies of the mitigation impact of measures face the problem of separating the effect of a single measure from the effect of all other measures due to cross-correlations of the impacts. Therefore, we do not have quantified reduction estimates of every single measure. The combined effect of all measures was calculated by a bottom-up model and the results are presented in the emission perspectives of chapter 5 in the 6th National Communication. In 2020, the difference between the scenario *without measures (WOM)* and the scenario *with existing measures (WEM)* is 5.5 Mt CO₂eq and the difference to the scenario *with additional measures (WAM)* is 9 Mt CO₂eq. The starting point for the scenario *without measures* is 2010, therefore it is not really “without measures”, but rather a continuation of the policies and measure as of 2010. The effect of the measures which came into force between 1990 and 2010 are partially additional. These effects were estimated in a separate study (presented in the 5th National Communication) and are in the order of 3.9 to 5.3 Mt CO₂eq in 2010. At least part of this reduction will also be effective in 2020 and has to be added to the above mentioned estimates.

Question from: Brazil at Tuesday, 30 September 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: Target: 30%

At COP-15, Switzerland had placed a number of conditions in order to have 30% as the target for 2020. In the biennial report there is not an explanation why or if such conditions have been fulfilled by the country. Please, explain the reasons for not adopting the 30% as target for the country.

Answered by: Switzerland at Friday, 28 November 2014

Switzerland thanks for the question received by Brazil on the conditional target of minus up to 30% by 2020 compared to 1990 levels. Despite this question is out of scope, Switzerland is pleased to answer in the spirit of full transparency and good collaboration. Switzerland's commitment to reduce emissions by 20% by 2020 compared to 1990 levels requires significant and ambitious efforts through national policies. Since 1990, the per capita emissions decreased from 7.8 t CO₂eq per capita in 1990 to approximately the world average in 2012 of 6.4 t CO₂eq per capita. At the same time, since 1990, the population in Switzerland has increased by 18%, the number of cars has increased by 34%, the GDP has increased by 36%, the living space by 36%, and the industrial production has increased by 54%. By implementing its 2020-target through national policies in 2020, the per capita emissions are expected to fall even significantly lower, thus being below world average per capita emissions in 2020. With its emission reduction target of minus 20% by 2020 compared to 1990 levels, Switzerland hence is well underway to do its part in meeting the recommendations of the IPCC AR5 which calls on global emissions to be reduced by 40 to 70% by 2050 below 2010 levels.

Switzerland announced to consider to move its targets to a reduction of 30% compared with 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and that developing countries contribute adequately according to their responsibilities and respective capabilities.

According to the data and information available for other countries, the effort of Switzerland in reducing its greenhouse gas emissions by 20% by 2020 compared to 1990 levels is above-average. Thus, the condition formulated by Switzerland to consider to increase its 2020 target is not met. Nevertheless, Switzerland engages in international initiatives outside UNFCCC to support additional reductions in greenhouse gas emissions.

Question from: Saudi Arabia at Tuesday, 30 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: The assessment of the economic and social consequences of response measures

Switzerland has reported in its NC6 a number of examples for capacity building initiatives to assist countries addressing the adverse economic impacts, what current steps and measures has Switzerland taken to ensure that these initiatives, such as international labels, will not pose additional burden on developing Countries? Will Switzerland be reporting in its next BR information on its assessment of the adverse economic, social and impacts of response measures on developing Countries as reported in its NC?

Answered by: Switzerland at Friday, 28 November 2014

On the basis of Decision 2/CP.17 (§15) Switzerland submitted its first BR as an annex to its 6th National Communication, without repeating all information of the NC in the BR. In the annually submitted National Inventory Report (NIR) in chapter 15 on “Information on Minimization of Adverse Impacts in Accordance with Article 3, Paragraph 14”, the issue is also discussed and new assessments and findings will be reported in the NIR on an annual basis.

Question from: Algeria at Monday, 29 September 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: Progress towards the achievement of its quantified economy-wide emission reduction target

Progress towards the achievement of its quantified economy-wide emission reduction target.

[1]. According to the TRR, Switzerland can't achieve the emission reduction target as shown in the With Measure scenario projection. What additional information could Switzerland provide to address this concern?

Answered by: Switzerland at Friday, 28 November 2014

It is correct that the scenario *with existing measures (WEM)* does not allow to achieve the reduction target of minus 20% compared to 1990 by 2020. However, the scenario *with existing measures* does not fully reflect all the measures implemented based on the existing CO₂ Act.

The CO₂ Act allows the Federal Council for adjusting two instruments according to emission trends. First, the CO₂ levy on heating and process fuels will increase up to 120 Swiss francs per t of CO₂, if the necessary emission reduction pathway defined in the CO₂ ordinance is not met. Depending on the size of gap the CO₂ levy is increased accordingly. Second, the CO₂ Act authorizes the Federal Council to adjust the percentage of CO₂ emissions from transport to be offset by fossil fuel importers and producers. According to the current CO₂ ordinance, the offset-rate will steadily increase reaching 10% in 2020. This rate was deduced from the scenario *with existing measures*. However, according to the CO₂ Act the Federal Council could increase this rate to a maximum of 40% of the emissions from transport, as long as the offset cost will stay below 5 centimes per litre.

Question from: Algeria at Monday, 29 September 2014

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Title: Assumptions, conditions and methodologies related to the attainment of its quantified econ

Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

[1]. There is a conditional emission reduction target of Switzerland to move to a 30% reduction by 2020 compared to 1990 levels. However, it is not clear to what extent Switzerland would recognize that other developed countries have committed themselves to comparable emission reductions, for example, does Switzerland recognize the emission reduction target of the U.S, Japan, New Zealand or Australia, as communicated in FCCC/SB/2011/INF.1/Rev.1 or updated in their BRs, as comparable to the one of Switzerland? And if not, what is the expected emission reduction target for each of these developed countries Parties that Switzerland would recognize as comparable? Could Switzerland provide further information on this issue?

[2]. According to the BR, there is a conflict in CTF 2(b) and 2(d) regarding the inclusion of LULUCF into the target. Could Switzerland provide further information on this issue?

Answered by: Switzerland at Friday, 28 November 2014

[1] Switzerland thanks for the question received by Algeria on the conditional target of minus up to 30% by 2020 compared to 1990 levels. Despite this question is out of scope, Switzerland is pleased to answer in the spirit of full transparency and good collaboration. Switzerland's commitment to reduce emissions by 20% by 2020 compared to 1990 levels requires significant and ambitious efforts through national policies. Since 1990, the per capita emissions decreased from 7.8 t CO₂eq per capita in 1990 to approximately the world average in 2012 of 6.4 t CO₂eq per capita. At the same time, since 1990, the population in Switzerland has increased by 18%, the number of cars has increased by 34%, the GDP has increased by 36%, the living space by 36%, and the industrial production has increased by 54%. By implementing its 2020-target through national policies in 2020, the per capita emissions are expected to fall even significantly lower, thus being below world average per capita emissions in 2020. With its emission reduction target of minus 20% by 2020 compared to 1990 levels, Switzerland hence is well underway to do its part in meeting the recommendations of the IPCC AR5 which calls on global emissions to be reduced by 40 to 70% by 2050 below 2010 levels.

Switzerland announced to consider to move its targets to a reduction of 30% compared with 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and that developing countries contribute adequately according to their responsibilities and respective capabilities.

According to the data and information available for other countries, the effort of Switzerland in reducing its greenhouse gas emissions by 20% by 2020 compared to 1990 levels is above-average. Thus, the condition formulated by Switzerland to consider to increase its 2020 target is not met. Nevertheless, Switzerland engages in international initiatives outside UNFCCC to support additional reductions in greenhouse gas emissions.

[2] We do not see any conflict between CTF 2(b) and CTF (2d). In 1990 the LULUCF sector was a net sink of CO₂eq. Thus, according to Article 3, paragraph 7 of the Kyoto Protocol, the LULUCF sector is not included in the base year emissions. Under the Kyoto Protocol, emissions and removals from afforestations and deforestations under KP Art. 3.3 and from forest management under KP Art 3.4 follow during the first commitment period a gross-net accounting. This means a country's total net GHG flow from LULUCF in a given year is accounted for in its GHG balance. See also section on "Approach to counting emissions and removals from the LULUCF sector" in the 6th National Communication (p. 110).

Question from: Egypt at Monday, 29 September 2014

Category: All emissions and removals related to its quantified economy-wide emission reduction target

Title: Green House Gases Data Base

what are the main cores in Greenhouse Gases Database and what are the responsible entities to manage this database and how many times should feed it by the update data annually ?

Answered by: Switzerland at Friday, 28 November 2014

The greenhouse gas inventory database is managed and updated in conjunction with other air pollutants. The division of Air Pollution Control and Chemicals of the Federal Office for the Environment is in charge of the emission database. Data are updated annually, usually after publication of the relevant official statistics or relevant annual reports. Data sources and procedures to produce the annual greenhouse gas inventory are documented in the National Inventory Report, which is annually submitted to UNFCCC and is available on the UNFCCC home page.

Question from: China at Monday, 29 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: projections

According to the TRR, Switzerland can't achieve the emission reduction target as shown in the With Measure scenario projection. Additional information is needed to address this concern.

Answered by: Switzerland at Friday, 28 November 2014

It is correct that the scenario *with existing measures (WEM)* does not allow to achieve the reduction target of minus 20% compared to 1990 by 2020. However, the

scenario *with existing measures* does not fully reflect all the measures implemented based on the existing CO₂ Act.

The CO₂ Act allows the Federal Council for adjusting two instruments according to emission trends. First, the CO₂ levy on heating and process fuels will increase up to 120 Swiss francs per t of CO₂, if the necessary emission reduction pathway defined in the CO₂ ordinance is not met. Depending on the size of gap the CO₂ levy is increased accordingly. Second, the CO₂ Act authorizes the Federal Council to adjust the percentage of CO₂ emissions from transport to be offset by fossil fuel importers and producers. According to the current CO₂ ordinance, the offset-rate will steadily increase reaching 10% in 2020. This rate was deduced from the scenario *with existing measures*. However, according to the CO₂ Act the Federal Council could increase this rate to a maximum of 40% of the emissions from transport, as long as the offset cost will stay below 5 centimes per litre.

Question from: China at Monday, 29 September 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: conditions related to the 2020 national target

Switzerland has a conditional emission reduction target to move to a 30% reduction by 2020 compared with 1990 levels. However, it is not clear to what extent Switzerland would recognize that other developed countries have committed themselves to comparable emission reductions, for example, does Switzerland recognize the emission reduction target of other developed country Parties, as communicated in FCCC/SB/2011/INF.1/Rev.1 or updated in their BRs, as comparable to the one of Switzerland? If not, what is the expected emission reduction target for these developed country Parties that Switzerland would recognize as comparable? Can Switzerland provide further information on this issue?

Answered by: Switzerland at Friday, 28 November 2014

Switzerland thanks for the question received by China on the conditional target of minus up to 30% by 2020 compared to 1990 levels. Despite this question is out of scope, Switzerland is pleased to answer in the spirit of full transparency and good collaboration. Switzerland's commitment to reduce emissions by 20% by 2020 compared to 1990 levels requires significant and ambitious efforts through national policies. Since 1990, the per capita emissions decreased from 7.8 t CO₂eq per capita in 1990 to approximately the world average in 2012 of 6.4 t CO₂eq per capita. At the same time, since 1990, the population in Switzerland has increased by 18%, the number of cars has increased by 34%, the GDP has increased by 36%, the living space by 36%, and the industrial production has increased by 54%. By implementing its 2020-target through national policies in 2020, the per capita emissions are expected to fall even significantly lower, thus being below world average per capita emissions in 2020. With its emission reduction target of minus 20% by 2020 compared to 1990 levels, Switzerland hence is well underway to do its part in meeting the recommendations of the IPCC AR5 which calls on global emissions to be reduced by

40 to 70% by 2050 below 2010 levels.

Switzerland announced to consider to move its targets to a reduction of 30% compared with 1990 levels, provided that other developed countries commit themselves to comparable emission reductions and that developing countries contribute adequately according to their responsibilities and respective capabilities.

According to the data and information available for other countries, the effort of Switzerland in reducing its greenhouse gas emissions by 20% by 2020 compared to 1990 levels is above-average. Thus, the condition formulated by Switzerland to consider to increase its 2020 target is not met. Nevertheless, Switzerland engages in international initiatives outside UNFCCC to support additional reductions in greenhouse gas emissions.

Question from: China at Monday, 29 September 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: LULUCF

According to the BR, there is a conflict in CTF 2(b) and 2(d) regarding the inclusion of LULUCF into the target. Could Switzerland provide further information on this issue?

Answered by: Switzerland at Friday, 28 November 2014

We do not see any conflict between CTF 2(b) and CTF (2d). In 1990 the LULUCF sector was a net sink of CO₂eq. Thus, according to Article 3, paragraph 7 of the Kyoto Protocol, the LULUCF sector is not included in the base year emissions. Under the Kyoto Protocol, emissions and removals from afforestations and deforestations under KP Art. 3.3 and from forest management under KP Art 3.4 follow during the first commitment period a gross-net accounting. This means a country's total net GHG flow from LULUCF in a given year is accounted for in its GHG balance. See also section on "Approach to counting emissions and removals from the LULUCF sector" in the 6th National Communication (p. 110).

Question from: European Union at Monday, 29 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: Gap between target for 2020 and projected level of emissions

The existing measures scenario reported in Switzerland's biennial report shows that Switzerland would not achieve its unconditional target for 2020. Also, emission reductions in the additional measures scenario are not based on new policies and measures but rather on the strengthening of the existing policies under the CO₂ Act. Are any additional measures planned to achieve the emission reductions? Which are the assumptions which would ensure that the effect of the strengthening of

existing policy would be enough to reach the 2020 target? Which are the success elements and challenges identified in implementation of policies which would reverse trends in emissions (e.g. transport)?

Answered by: Switzerland at Friday, 28 November 2014

It is correct that the scenario *with existing measures (WEM)* does not allow to achieve the reduction target of minus 20% compared to 1990 in 2020. However, the scenario *with existing measures* does not fully reflect all the measures implemented in the current CO₂ Act.

The CO₂ Act allows the Federal Council for adjusting two instruments according to emission trends. First, the CO₂ levy on heating and process fuels will increase up to 120 Swiss francs per t of CO₂, if the necessary emission reduction pathway defined in the CO₂ ordinance is not met. Depending on the size of gap the CO₂ levy is increased accordingly. Second, the CO₂ Act authorizes the Federal Council to adjust the percentage of CO₂ emissions from transport to be offset by fossil fuel importers and producers. According to the current CO₂ ordinance, the offset-rate will steadily increase reaching 10% in 2020. This rate was deduced from the scenario *with existing measures*. However, according to the CO₂ Act the Federal Council could increase this rate to a maximum of 40% of the emissions from transport, as long as the offset cost will stay below 5 centimes per litre.

It is also correct, that the scenario *with additional measures (WAM)* is mainly based on the strengthening of existing measures. The CO₂ Act provides the above mentioned flexible options with respect to the level of incentive fees and requirements for the implementation of individual measures. If these options are exploited, achieving the 20% reduction target is possible. It is to be noted, that these considerations are only relevant regarding the domestic achievement of the 20% reduction target in 2020. In any case, Switzerland will fulfil its unconditional international commitment to reduce its emissions, partly through international credits.

Currently there are no specific additional measures planned.

One of the most important success elements in Swiss Climate Policy is the incentive levy on fossil heating fuels. Since the revenues of the levy are distributed to households and companies, it sets an incentive to use less fossil fuels. Furthermore, the levy on fossil heating fuels is broadly accepted. CO₂ intensive industries can be exempted from the levy, but only if they accept legally binding reduction targets and implement the necessary CO₂ relevant measures onsite.

With respect to the transport sector, the biggest challenge is the public acceptance of new measures that considerably increase fuel prices. Currently, Switzerland is regulating importers/producers of fossil transport fuels, passing upon them the

obligation to offset an increasing part of CO₂ emissions from transport fuels by projects within Switzerland.

Question from: European Union at Monday, 29 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: Use of market mechanisms

Does Switzerland intend to use market mechanisms to achieve the targets? If yes, to which extent and what is the associated effect on the emission level projections for the period up to 2020? Is use of international credits foreseen and if so, to what extent?

Answered by: Switzerland at Friday, 28 November 2014

Switzerland will use carbon credits generated from the flexible mechanisms under the Kyoto Protocol (CERs, ERUs) and possibly from the new market-based mechanism under the Convention to reduce its emissions over the second commitment period. The exact amount of carbon credits is not yet estimated. The Swiss CO₂ Act defines Switzerland's 20% reduction target for the year 2020 as domestic, however, carbon credits for emission reductions achieved abroad will play a role to reach the second commitment period target in the case of fossil fuel power plants, the emissions trading scheme (ETS) and companies exempted from the CO₂ levy that are not covered by the ETS. Importers of motor fuels, who miss their offset target, are obliged to provide carbon credits in addition to a fine of 160 CHF per tonne. Furthermore, Switzerland may use additional carbon credits generated under the Kyoto Protocol (CERs, ERUs) depending on the actual emission trend between 2013 and 2020. Under the Swiss domestic legislation applicable during the second commitment period, Switzerland will not use carried-over AAUs transferred from other Parties for compliance under Article 3 of the Kyoto Protocol for the second commitment period. Switzerland will adhere to arrangements in other countries relating to the transfer of AAUs under any arrangement which links Switzerland's emission trading scheme with that of other Parties.

The national target is defined for a single year (2020) the target under the second commitment period of the Kyoto Protocol (CP2), however, for an 8-year period (2013–2020). Accordingly, even if the national target in the year 2020 (-20%) is reached without flexible mechanisms, Switzerland is expected not to reach the CP2 target (-15.8%) solely through domestic measures due to the high starting point (mean absolute emissions in the time interval 2008–2012 were 1% below the 1990 level) and likely will use carbon credits to fill the gap.

Question from: European Union at Monday, 29 September 2014

Category: Assumptions, conditions and methodologies related to the attainment of its quantified economy-wide emission reduction target

Title: Estimation of LULUCF emissions and removals

How does Switzerland estimate its LULUCF emissions and removals in its emission levels' projections over the period? What are the methodological approaches used and how do they impact on the assessment of the progress to the QEWERT?

Answered by: Switzerland at Friday, 28 November 2014

Emissions and removals from the LULUCF sector are calculated separately for LULUC and forestry:

(i) For LULUC, no projections have been made. The values for croplands, grasslands, wetlands, settlements and other lands are constant and are assigned the mean value of net emissions and removals for the period 1990–2011 as reported in Switzerland's National Inventory Report 2013.

(ii) For forestry, emissions and removals from afforestations and deforestations are assigned the mean constant value of net emissions and removals for the period 1990–2011 as reported in Switzerland's National Inventory Report 2013. Further, emissions and removals from forest management for the projections are calculated with the model Massimo, as described in chapter 5.4.5 in NC6.

Totals in the projections (see chapter 5 in the 6th National Communication) are not including LULUCF. Therefore, progress towards QEWERT based on national emission projections is not taking LULUCF into account.

Question from: European Union at Monday, 29 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: Decoupling of economic growth from GHG emissions

To what extent is economic growth decoupled from GHG emissions?

What have been the main effects of the existing policies and measures on the emission trends? What have been the main deviations from expected results and what in your view has caused this?

Answered by: Switzerland at Friday, 28 November 2014

In the year 2012, gross domestic product was 36% higher than in 1990, and population was 18% higher. Despite this growth, greenhouse gas emissions were about 3% lower in the year 2012 compared to 1990 (considering the mean over the

time interval 2008-2012 would give a reduction of greenhouse gas emissions of about 1% compared to 1990). Per capita emissions thus dropped by about 20%, and emissions per gross domestic product dropped by about 30%.

A detailed description of Swiss climate policy can be found in the 6th National Communication, section 4.3.3 "Climate Policy".

Switzerland introduced a CO₂ levy on heating and process fuels in 2008 and increased the levy several times since. Currently, the levy is at CHF 60 per tonne of CO₂, five-times the original amount. The current national legislation includes a clause that would lead to further increases of the CO₂ levy, thus providing a long-term perspective on the price of CO₂. One third of the revenues of the CO₂ levy are earmarked for a building programme, which subsidizes refurbishments, energy-efficiency measures and renewable energy installations in the building sector. The price signal and the building programme contributed to the observed decrease in emissions from heating and process fuels, despite the increase in population, energy reference area and other factors that would tend to increase emissions. Thus the policies and measures successfully decoupled emissions in the stationary combustion sector from the drivers.

On the other hand, emissions in the transport sector increased by approximately 11% since 1990, despite improvements in the specific emissions (gCO₂/km). Policies and measures weakened the link between emissions and the underlying drivers, but were only able to compensate for the growth during the past five years.

Question from: New Zealand at Sunday, 28 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: Progress towards 2020 target and 'domestic compensation'

In order to better understand Switzerland's progress towards its target, could Switzerland please elaborate on the term 'domestic compensation' (as presented in the 'with measures' projections scenario), using examples if possible, and how domestic compensation impacts on future emissions projections?

Answered by: Switzerland at Friday, 28 November 2014

Reductions in greenhouse gas emissions achieved in emission-reduction projects (offset projects) in Switzerland can receive domestic carbon credits (attestations) to be counted towards the offset targets of individual importers. These attestations are purely domestic and not recognised internationally and are therefore not fungible with Kyoto certificates.

However, just like international projects, offset projects in Switzerland must follow a predefined procedure in which the critical step is to demonstrate that reductions are additional and would have not been achieved without the project. These procedures are comparable to the CDM project cycle. However, requirements are higher, the

projects are smaller and the abatement cost and prices for attestations are higher.

In order to fulfil their offset obligation importers and producers of fossil motor fuels can either implement own projects or acquire attestations from project developers.

Currently, 40 domestic offset projects/programs are approved and registered with the FOEN, most of them in the categories energy efficiency and renewable energies. For example, several projects substituting fossil based heating systems by wood based heating system are registered. A list of all registered projects can be found on the following website: www.bafu.admin.ch/compensation-projects-ch.

Question from: Malaysia at Thursday, 18 September 2014

Category: Progress towards the achievement of its quantified economy-wide emission reduction target

Title: Meeting Quantified economy wide emission reduction target 2013-2020

Switzerland had reported that the quantified economy wide emission reduction target will be achieved through domestic measures as well as market mechanism. It also started that the Parliament did not approve the use of LULUCF for carbon off sets. However, farmers are able to do so in the voluntary international carbon market. How are these being monitored and tracked?

Additionally, it is not clear how much of Switzerland's emission reduction target will be achieved through domestic measures and through market mechanism?

Answered by: Switzerland at Friday, 28 November 2014

As defined in the ordinance to the CO₂ Act, sequestration projects are not accepted as offset projects and therefore no attestations or certificates are issued by FOEN for such domestic mitigation projects (note further that Switzerland also does not accept international carbon credits from sequestration project). Accordingly, sequestration projects are only relevant for the voluntary market (i.e. they are excluded from the "official" market) and the related emission reductions are not officially monitored or tracked. However, Switzerland will use emission reductions from afforestations and deforestations under KP Art. 3.3 and from forest management under KP Art 3.4 to achieve its international target under the Kyoto Protocol.

Switzerland will use carbon credits generated from the flexible mechanisms under the Kyoto Protocol (CERs, ERUs) and possibly from the new market-based mechanism under the Convention to reduce its emissions over the second commitment period. The exact amount of carbon credits is not yet estimated. The Swiss CO₂ Act defines Switzerland's 20% reduction target for the year 2020 as domestic, however, carbon credits for emission reductions achieved abroad will play a role to reach the second commitment period target in the case of fossil fuel power plants, the emissions trading scheme (ETS) and companies exempted from the CO₂ levy that are not covered by the ETS. Importers of motor fuels, who miss

their offset target, are obliged to provide carbon credits in addition to a fine of 160 CHF per tonne. Furthermore, Switzerland may use additional carbon credits generated under the Kyoto Protocol (CERs, ERUs) depending on the actual emission trend between 2013 and 2020. Under the Swiss domestic legislation applicable during the second commitment period, Switzerland will not use carried-over AAUs transferred from other Parties for compliance under Article 3 of the Kyoto Protocol for the second commitment period. Switzerland will adhere to arrangements in other countries relating to the transfer of AAUs under any arrangement which links Switzerland's emission trading scheme with that of other Parties.

The national target is defined for a single year (2020) the target under the second commitment period of the Kyoto Protocol (CP2), however, for an 8-year period (2013–2020). Accordingly, even if the national target in the year 2020 (-20%) is reached without flexible mechanisms, Switzerland is expected not to reach the CP2 target (-15.8%) solely through domestic measures due to the high starting point (mean absolute emissions in the time interval 2008–2012 were 1% below the 1990 level) and likely will use carbon credits to fill the gap.