

#### Federal Department of Foreign Affairs FDFA **State Secretariat FDFA**

Prosperity and Sustainability Division PSD Environment, Energy and Health Section

# Call for Inputs by the Katovice Committee of Experts on the Implementation of Response Measures

## Input from Switzerland

Dear Sir or Madam

Responding to your call for inputs of 16 June, we have contacted the competent federal authorities and asked them to provide concrete and best practices on:

- (a) Just transition of the work force and creation of decent work and quality jobs;
- (b) Economic diversification and transformation.

Please find below the compiled answers of the federal offices, we have been in contact with.

#### 1. State Secretariat for Economic Affairs SECO

#### a. General principles for the labour market policy in Switzerland:

The guiding question for labour market policy is how to enable labour markets to cope with structural change and more recent phenomena such as the energy transition or digitalization. A good labour market policy framework consists of several pillars. Leaning on current work of the OECD four dimensions seem relevant to us:

- 1. Promote an environment in which high-quality jobs can flourish
- 2. Prevent labour market exclusion and protect individuals against labour market risks
- 3. Prepare for future opportunities and challenges associated with a rapid economic change
- 4. Tailored, country specific implementation of promising reforms

#### b. Important elements of Swiss labour market policy:

For Switzerland the following elements are of particular interest in a phase of rapid change:

- Promote a business environment conductive to growth and job creation. Competition is a motor for innovation and productivity growth. Labour market regulation has to enable the reallocation of workers towards the most productive firms.
- The supply of skills has to be permanently adapted to changing labour market needs. In Switzerland – with its dual apprenticeship system - the link between education and the industry is tight. We believe that the cooperation between the education and the business sector will be a cornerstone of successful skills-policies in the future.
- The adaption of skills (among those also digital skills) will naturally be an issue for young people, but more often so for older persons as well. Preparing the adult workforce to work with new technologies will be a key focus of Swiss skills policies in the coming years.
- Protection of workers against labour market risks has to go hand in hand with incentives and support to find new jobs. Activation is central in the Swiss unemployment insurance. In times of rapid structural change activation can also help workers to move from shrinking to growing sectors.

#### c. Promotion of economic diversification and transformation

In the area of commerce, Switzerland seeks to conclude further free trade agreements to facilitate trade linkages and the diversification of its economy.

The government has also adopted a package of measures for resource conservation and recycling management and promotes research on the energy transition with the "Swiss Energy Research for the Energy Transition" program.

## 2. Swiss Federal Office of Energy SFOE

One of the main challenges of energy transition is the loss of livelihoods and jobs and therefore governments have to make sure that workers and communities get new perspectives. In the best case, workers can be trained to work in sustainable energy/infrastructure sectors. Switzerland has a long tradition in vocational education and training (VET). This system of training people on the job has proven robust to change, as it allows for flexible adaptations and training within companies when needed.

This applies in particular to energy innovations, which can only be implemented effectively if the knowledge of the experts is constantly updated from the planning to the construction and operation of buildings. For this reason, SwissEnergy, the federal government's central platform for energy efficiency and renewable energy, has launched an educational campaign to all relevant target groups. These training programmes are aimed at planning engineers, civil engineers and craftsmen as well as professionals from industry, trade and the service sector. This awareness campaign is carried out in close coordination with industry associations, professional organisations and education providers.

A key point of the education initiative is the expansion of energy-related courses of study at universities and colleges - for example the Master of Advanced Studies in sustainable construction. At the same time, projects for career changers in the energy sector and the building sector are being continued

### 3. Federal Office for Agriculture FOAG

The following table provides some examples of climate projects in Switzerland in the agricultural sector contributing to Just Transition and Economic Diversification. These projects have been initiated, submitted and co-financed by local stakeholders. The projects contribute to a just transition as they derive from the needs of the stakeholders concerned and take into account their future perspectives.

Except the last one, all projects are supported by the federal administration through different programs, as indicated in the first column.

	Project title	Project duration	Responsable/ project area	Budget	Goal/ Description
Pilot program Adaptation to Climate Change (FOAN) <sup>1</sup>	Handlungsoptione n entlang kleiner und mittlerer Gewässer bei Sommertrockenhe it	2019 - June 2021	Canton BL and SO	Total costs: 245'000 contribution FOAG: 115'000	Initial studies with model calculations in the canton of BL have shown that in the future, watercourses will hardly carry any water in summer. In order to verify these data, discharges are recorded with a smartphone app at various locations in watercourses with the involvement of stakeholders. Eventually, a water balance is claculated. Based on this, it is determined whether sufficient water can be provided for irrigation with local or regional water reservoirs. In-depth knowledge about the costs and benefits of local water storage for farms will be collected.
	Landwirtschaft und Bewässerung im Klimawandel – Anpassung als Chance!	2019 - June 2021	Department of Landscape and Waters, Canton AG (ALG); Agriculture Aargau (LWAG) / Bünztal (AG)	Total costs: 230'000 contribution FOAG: 115'000	The pilot project "Landwirtschaft und Bewässerung im Klimawandel – Anpassung als Chance!" develops a strategy (implementation goal) for climate- and site-adapted agricultural production for the Bünztal. The central question is which possibilities and limits exist for agricultural development under future dry climate conditions (knowledge goal). Methodologically, the instrument of agricultural planning will be systematically extended and tested. Technically, the basics from the 1st program phase will be used and further developed towards a "spatial cropwater model".
	Adaptation de la viticulture neuchâteloise aux changements climatiques	2019 - 2021	Université de Neuchâtel / Ct NE and surroundings	Total costs: 230'000 contribution FOAG: 115'00	This project will define the climatic conditions to which viticulture in the Neuchâtel region can or must adapt in order to cope with the new conditions. It will map in detail the climate of the region according to the established criteria and for several time periods: past, present and future. Based on the results obtained, it will evaluate the areas and the potential of adaptation strategies for several future periods, such as the interest in expanding or reducing certain grape varieties or the potential for expansion to higher altitudes.
Ressourcenprogramm (FOAG) <sup>2</sup>	AgroCO <sub>2</sub> ncept Flaachtal <u>The project -</u> agroCO <sub>2</sub> ncept.ch	2016-2021	Association AgroCO <sub>2</sub> ncept Flaachtal / Flaachtal	Total costs: 1'953'658 contribution FOAG: 1'491'394	The overall AgroCO <sub>2</sub> ncept project aims to achieve various goals, which are circumscribed by the target formula "20/20/20". This formula includes 20% reduction in GHG emissions; 20% reduced expenditures through cost reductions and efficiency improvements in production; and 20% higher added value, which will be achieved mainly through the sale of climate-friendly products in the premium segment, but also through a transfer of knowledge and the enhancement of the image of the farmers as well as the entire region.
	IP-Suisse	2016-2021	IP-Suisse	Total costs: 833'220 Contribution FOAG: 614'676	The label "IP-Suisse" is committed to environmentally friendly and animal-friendly production.  Therefore, the existing points catalog "biodiversity and natural resource protection" was extended by a points catalog "climate". With the new catalog greenhouse gas emissions shall be reduced.  The economic aspect is taken into account as the label products are sold at a higher price and only measures that do not disadvantage the farmers are included in the catalog.
	Ammoniak- und Geruchsemissione n in der	2021-2026	ZENTRUM, Community of Hohenrain,	Total costs: 4'924'420	The main focus of the project is on the reduction of ammonia and odor emissions. In addition to reducing ammonia emissions and N inputs into sensitive ecosystems, the project aims to raise awareness of the problem throughout the industry (farms, industry associations, upstream and

	Zentralschweiz reduzieren  Ammoniak- und Geruchsemissione n in der Zentralschweiz reduzieren, 2019 - 2028 (agrofutura.ch)		KOLAS-Central Switzerland, Lucerne Farmers' Association, Central Switzerland Farmers' Union / Central Switzerland	FOAG contribution: 3,740,045	downstream industries (especially the feeding and construction industries)) by intensifying communication, discussion and advice on ammonia. Within the project, the changeover to more extensive animal husbandry and alternative branches of operation without animal husbandry will also be considered.
	Agro4estrie Projet ressource Agro4esterie – Agroforst	2020-2025	Canton GE, JU, NE, VD, Fondation Rurale Interjurassienne, Association Agro4estrie/ GE, JU, NE, VD	Total costs: 8'522'080 Contribution FOAG: 6'971'452	Agroforestry is seen as a solution to reducing the environmental impact of agriculture and contributing to the mitigation of climate change. The goal of this project is to promote modern agroforestry. Among other topics, economic aspects and the possibility to integrate different agroforestry systems into the functioning of Swiss farms in terms of the distribution of labor peaks and production inputs are addressed. The maintenance of the farm's income over the duration of the project is set as a project goal.
Others (non-federal)	Klimaneutrale Landwirtschaft Graubünden Projekt - Klimaneutrale Landwirtschaft Graubünden (klimabauern.ch)	2021-2030	Canton GR	-	The project wants not only to initiate the change to climate-neutral agriculture and strengthen the resilience of farms against the negative consequences of climate change. Graubünden farmers will also gain a knowledge and implementation advantage with individual, practical climate measures and projects. This should lead to a competitive advantage in a growing market for food and services produced in a climate-friendly way (keyword CO2 certificates).

<sup>&</sup>lt;sup>1</sup> The Federal Council has developed a strategy for adaptation to climate change. The strategy also includes an action plan that is updated periodically. The pilot program Adaptation to Climate Change is one of the measures from the action plan 2014-2019. The FOEN is in charge. Further Information: Pilot programme 'Adaptation to climate change' (admin.ch)

<sup>2</sup> Since the 2011 agricultural policy, the federal government supports innovative projects that contribute to improving sustainability in the use of natural resources through the "Ressourcenprogram". The projects should generate a gain in knowledge that can be used across the project region or sector. The support is to be understood as start-up financing. In charge is the FOAG. Further Information: Ressourcenprogramm (admin.ch)