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Report of the technical review of the first biennial report of Switzerland

Developed country Parties are requested, in accordance with decision 2/CP.17, to submit their first biennial report to the secretariat by 1 January 2014. This report presents the results of the technical review of the first biennial report of Switzerland conducted by an expert review team in accordance with the "Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention".

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I. Introduction and summary

A. Introduction

1. For Switzerland, the Convention entered into force on 21 March 1994. Under the Convention, Switzerland made a commitment to reduce its greenhouse gas (GHG) emissions by 20 per cent by 2020 below 1990 level, which is consistent with its national target to reduce emissions by 20 per cent with domestic action. Switzerland has also offered to move its target up to a 30 per cent reduction by 2020 pending some conditions (see para. 14 below).

2. This report covers the in-country technical review of the first biennial report (BR1)[1] of Switzerland, coordinated by the secretariat, in accordance with the "Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention" (decision 23/CP.19).

3. The review took place from 7 to 12 April 2014 in Bern, Switzerland, and was conducted by the following team of nominated experts from the UNFCCC roster of experts: Mr. Manuel Estrada (Mexico), Mr. Matej Gasperic (Slovenia), Mr. Didier Goetghebuer (Belgium) and Ms. Baasansuren Jamsranjav (Mongolia). Mr. Goetghebuer and Ms. Jamsranjav were the lead reviewers. The review was coordinated by Ms. Barbara Muik (secretariat).

4. During the review, the expert review team (ERT) examined each section of the BR1.

5. In accordance with decision 23/CP.19, a draft version of this report was communicated to the Government of Switzerland, which provided no comments to this final version of the report.

B. Summary

6. The ERT conducted a technical review of the information reported in the BR1 of Switzerland in accordance with the "UNFCCC biennial reporting guidelines for developed country Parties" (hereinafter referred to as the UNFCCC reporting guidelines on BRs).

7. During the review, Switzerland provided further relevant information (see paras. 25, 34, 44 and 45 below).

1. Completeness and transparency of reporting

8. Gaps and issues related to the reported information identified by the ERT are presented in table 1 below.

2. Timeliness

9. The BR1 was submitted on 3 February 2014, after the deadline of 1 January 2014 mandated by decision 2/CP.17. The common tabular format (CTF) tables were submitted on 3 February 2014. Switzerland informed the secretariat about its difficulties with the timeliness of its BR1 and CTF tables on 16 December 2013 in accordance with decision

[1] The biennial report submission comprises the text of the report and the common tabular format (CTF) tables. Both the text and the CTF tables have been subject to the technical review.

23/CP.19, annex, paragraph 65. The ERT noted with concern the delay in the submission of the BR1 and CTF tables.

3. Adherence to the reporting guidelines

10. The information reported by Switzerland in its BR1 is partially in adherence with the UNFCCC reporting guidelines on BRs as per decision 2/CP.17 (see table 1).

Table 1
Summary of completeness and transparency issues of reported information in the first biennial report of Switzerland[a]

Sections of the biennial report	*Completeness*	*Transparency*	*Reference to paragraphs*
Greenhouse gas emissions and trends	Complete	Transparent	
Assumptions, conditions and methodologies related to the attainment of the quantified economy-wide emission reduction target	Complete	Transparent	
Progress in achievement of targets	Complete	Mostly transparent	25, 26
Projections	Complete	Mostly transparent	28
Provision of support to developing country Parties	Not complete	Transparent	33–36, 43–45

[a] A list of recommendations pertaining to the completeness and transparency issues identified in this table is included in chapter III below (conclusions).

II. Technical review of the reported information

A. All greenhouse gas emissions and removals related to the quantified economy-wide emission reduction target

11. Switzerland has provided a summary of information on GHG emission trends for the period 1990–2011 in its BR1 and CTF table 1. This information is broadly consistent with the 2013 national GHG inventory submission. The sixth national communication (NC6) is based on the submission of April 2013 whereas the BR1 is based on the submission of September 2013. The difference corresponds to 153 kilotonne of carbon dioxide equivalent (kt CO_2 eq) in 2011, or 0.3 per cent of total GHG emissions in Switzerland. The difference is explained in the CTF tables. The ERT encourages Switzerland to harmonize the reported GHG emission figures in its next biennial report (BR) and national communication (NC).

12. Total GHG emissions[2] excluding emissions and removals from land use, land-use change and forestry (LULUCF) decreased by 5.4 per cent between 1990 and 2011, in which year emissions decreased to the lowest value over the period, whereas total GHG emissions including net emissions or removals from LULUCF decreased by 6.3 per cent over the same period. Emission trends were driven by economic and population growth; however, this was more than compensated for by an unusually warm winter in 2011 and improvements in the energy efficiency of buildings, as well as by decreases in livestock and in fertilizer use and by banning the disposal of waste in landfills. Switzerland's per capita and per gross domestic product (GDP) unit emissions are low compared with other Parties

[2] In this report, the term "total GHG emissions" refers to the aggregated national GHG emissions expressed in terms of carbon dioxide equivalent excluding land use, land-use change and forestry, unless otherwise specified.

included in Annex I to the Convention (Annex I Parties) because its electricity generation is almost CO_2-free.

13. Further information on the review of emission and emission trends is provided in chapter II.A of the report of the in-depth review of the sixth national communication (IDR/NC6).

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

14. In its BR1 and CTF table 2, Switzerland reported a description of its target, including associated conditions and assumptions. The revised CO_2 Act covering the period 2013–2020 entered into force on 1 January 2013. Based on this legislation, Switzerland will reduce its GHG emissions by at least 20 per cent by 2020 in comparison with the 1990 level. Switzerland's quantified economy-wide emission reduction target by 2020 covers all gases and sectors covered under the Kyoto Protocol for the same period (2013–2020). The CO_2 Act allows for a harmonization of the gas coverage between Switzerland's national target and its international commitments. Switzerland also has offered to increase its target of a 20 per cent reduction to a 30 per cent reduction by 2020 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.

15. The base year for the target is 1990 for all gases. The target covers all sectors (i.e. energy, transport, industrial processes, agriculture, LULUCF and waste), and the global warming potential (GWP) reference is the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report.[3] Switzerland plans to use carbon credits generated from the mechanisms under the Kyoto Protocol (certified emission reductions from the clean development mechanism (CDM) and emission reduction units from joint implementation (JI)) and from the new market-based mechanisms under the Convention to reduce its emissions over the period 2013–2020. The exact amount of carbon credits is not yet known. Regarding the role of LULUCF, Switzerland will calculate the contribution of LULUCF using the activity-based approach consistent with its target for the second commitment period under the Kyoto Protocol, excluding this sector for its base year emissions, but including it in the target.

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

16. In its BR1 and CTF tables 3 and 4, Switzerland reported information on its mitigation actions implemented and planned since its fifth national communication (NC5) to achieve its target. Switzerland also reported on the use of units from market-based mechanisms and LULUCF to achieve its target. Information on Switzerland's domestic institutional arrangements used for domestic compliance, monitoring, reporting, archiving of information and evaluation of the progress towards its economy-wide emission reduction target are also contained in diverse parts of the NC6.

[3] The quantified economy-wide emission reduction target of Switzerland is expressed using the GWP values from the IPCC Fourth Assessment Report, while emission levels are assessed using the values from the IPCC Second Assessment Report, as per the "Guidelines for the preparation of national communications by Parties included in Annex I to the Convention, Part I: UNFCCC reporting guidelines on annual greenhouse gas inventories".

17. The ERT reviewed the reported information and provided its assessment of progress made towards achieving the target. The ERT noted progress made by Switzerland. The Party has implemented policies and measures (PaMs) that target all relevant sectors and GHGs. The PaMs with the most significant mitigation impact are the CO_2 levy, the National Building Refurbishment Programme, building codes, emission regulations for new cars, and obligations for compensation of emissions for importers of fossil fuels for transport and for gas-fired power plants. Concerning the progress made by Switzerland in achieving its economy-wide emission reduction target, the ERT noted that total GHG emissions (without LULUCF) in 2011 decreased by 5.4 per cent compared with 1990 levels. In addition, the estimated removals in 2011 from afforestation, reforestation, and deforestation and forest management (activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol) are expected to offset 5.4 per cent of the total GHG emissions (without LULUCF). Another 6.1 per cent of the total GHG emissions would be offset by units from market-based mechanisms if annual mean values of provisional estimates of acquired units from CDM and JI projects during the first commitment period of the Kyoto Protocol were to be taken into account.

18. According to current 'with measures' projections, total GHG emissions (without LULUCF) of Switzerland are expected to decrease 15.2 per cent below 1990 levels compared with the target of a 20 per cent reduction by 2020. The contribution of LULUCF in 2020 is expected to be negligible, but additional measures are expected to decrease emissions by another by 6.6 per cent. In addition, Switzerland indicated that it may make use of carbon credits from market-based mechanisms.

19. The ERT noted that Switzerland will face several challenges in meeting its 2020 targets, especially its national target, which, according to national legislation, is planned to be achieved with domestic actions only. These challenges include the implementation of key PaMs to drastically change the trend of underlying activities in the transport sector; the identification of areas for domestic compensation for emissions coming from gas-fired power plants and transport fuels; and adaptation of the CO_2 levy.

1. Mitigation actions and their effects

20. Switzerland has provided in its BR1 comprehensive and well-organized information on its package of mitigation actions introduced to achieve its target. The BR1 provided information on mitigation actions organized by sector and by gas. A detailed review of the reported information is provided in chapter II.B of the IDR/NC6.

21. Switzerland has implemented a wide range of mitigation actions for GHG emissions across all sectors. Switzerland is particularly targeting GHG emissions from the energy sector, which in 2011 represented 79.7 per cent of the total GHG emissions in Switzerland. Switzerland is planning a complete phase out of electricity produced in nuclear power plants and replacement of this electricity with energy efficiency, new and additional renewable energy production and highly efficient electricity production from natural gas, for which it will be required to offset emissions. Furthermore, Switzerland has adopted a revised CO_2 Act, which provides a framework for Switzerland's efforts to reduce its GHG emissions and includes sectoral targets to be reached by 2020.

22. The CO_2 levy is an important measure to tax carbon emissions from combustion of heating and process fuels. This income is redistributed to the Swiss population; however, 300 million Swiss francs have been earmarked for the National Building Refurbishment Programme. Importers of fossil fuels for transport have an obligation to compensate for a certain share of emissions from the transport sector with new and additional domestic mitigation actions, which should, together with the adopted carbon dioxide emission regulations for passenger cars, significantly contribute to the emission reduction target in the transport sector. Switzerland has strengthened its policy on fluorinated gases (F-gases)

and adopted the Agricultural Policy 2014–2017, which aims to increase the value added of Swiss agricultural products and decrease the impact of agricultural activities on the environment. Table 2 provides a concise summary of the key mitigation actions implemented by Switzerland to achieve its target.

Table 2
Summary of information on mitigation actions reported by Switzerland

Sectors affected	*List of key mitigation actions*	*Estimate of mitigation impact (kt CO_2eq)*
Policy framework and cross-sectoral measures		
	Revised CO_2 Act	2 000
	Emissions trading scheme (cap and trade)	800
	CO_2 levy	2 000
Energy		
Energy supply	Obligation to offset emissions from gas fired power plants	750
Renewable energy	National Building Refurbishment Programme B	2 000
Energy efficiency in residential and commercial sectors	National Building Refurbishment Programme A	900
	Building codes with cantons	1 750
Transport		
	Obligation for compensation for transport fossil fuel importers	1 500
	Carbon dioxide emission regulations for new passenger cars	700
Industrial sectors		
	Ordinance on chemical risk reduction	990
Agriculture		
	Agricultural Policy 2014–2017	400
Forestry		
	Wood Action Plan	–1 200
Waste management		
	Technical ordinance on waste	180

Notes: (1) The greenhouse gas reduction estimates given are reductions in carbon dioxide or carbon dioxide equivalent for 2020. (2) A negative number in the table means emission increases due to a policy or measure.

23. In its BR1, Switzerland provided information on changes in its domestic institutional arrangements, including institutional, legal, administrative and procedural arrangements used for domestic compliance, monitoring, reporting, archiving of information and evaluation of the progress towards its target. Institutional, legal and procedural arrangements related to the GHG inventory and to the national registry are governed by the Swiss National Inventory System led by the Federal Office for the Environment (FOEN); this entity ensures full compliance with the reporting requirements. Institutional arrangements regarding the mechanisms under the Kyoto Protocol are the responsibility of the Designated National Authority SwissFlex.

24. However, in its BR1 Switzerland did not provide information on the assessment of the economic and social consequences of response measures. The Party explained during the review that it assumes that its climate change policies have no significant adverse economic, social and environmental impacts in developing countries. In addition, Switzerland's PaMs are very much compatible and consistent with those of the European Union so as to avoid trade distortion and non-tariff barriers to trade, and to set similar incentives. The ERT encourages Switzerland to provide information on the assessment of the economic and social consequences of response measures in its next BR.

2. Estimates of emission reductions and removals and the use of units from the market-based mechanisms and land use, land-use change and forestry

25. Switzerland reported in its BR1 and CTF table 4 on its plans to use market-based mechanisms under the Convention and other mechanisms and on the contribution from LULUCF. Switzerland in its BR1 did not provide information on its use of the mechanisms for the years 2008–2012 (table 4 and 4b of the BR1). During the review, Switzerland explained that the acquisition of market-based units by the Climate Cent foundation and companies is known for the first commitment period of the Kyoto Protocol only as a whole, and that trading in the single years is irrelevant for fulfillment of the Kyoto Protocol target. However, Switzerland also communicated a total estimation of units from the different mechanisms during the review.

26. The ERT considers that Switzerland could report some provisional estimates of certificates acquired through market-based mechanisms and recommends that Switzerland report the amount of units from market-based mechanisms on the Swiss state accounts in the National Registry at the end of every year in its next BR.

27. Table 3 illustrates how Switzerland reported on the use of units from market-based mechanisms and LULUCF to achieve its target in its BR1 and during the review.

Table 3
Summary information on the use of units from market-based mechanisms and land use, land-use change and forestry as part of the reporting on the progress made towards achievement of the target by Switzerland

Year	*Emissions excluding LULUCF (Mt CO_2 eq)*	*LULUCF emissions/removals (Mt CO_2 eq)*	*Emissions including LULUCF (Mt CO_2 eq)*	*Use of units from market-based mechanisms (Mt CO_2 eq)*
Base year (1990)	52.79	NA	NA	NA
2010	54.24	2.68	51.56	3.1[a]
2011	50.15	2.72	47.43	3.1[a]

Abbreviations: LULUCF = land use, land-use change and forestry, NA = not applicable.

[a] Provisional estimates of emission reduction certificates acquired abroad from clean development mechanism and joint implementation projects.

3. Projections

28. Switzerland has provided in its BR1 and CTF tables 5 and 6 comprehensive and well-organized information on its updated projections for 2020 and 2030. A detailed review of the reported information is provided in chapter II.C of the IDR/NC6. The key recommendations are that Switzerland report the historical total effect of its PaMs in accordance with the UNFCCC reporting guidelines for NCs and use a consistent approach for estimating the total effect of implemented and adopted PaMs, by sector and by gas, for past and future years.

29. In its BR1, Switzerland provided information on the changes since the previous NC in the methodologies used for the preparation of projections. The projections of GHG emissions in Switzerland have been fully revised over the past years, mainly as a result of the decision by the Government of Switzerland to gradually phase out nuclear power generation. The revised set of energy scenarios, available from 2012, complemented by scenarios for the agriculture and LULUCF sectors, has been used to estimate the emissions in 2020 and 2030. The key parameters have been adjusted in comparison with the NC5 accordingly.

30. Three scenarios have been established for projection of Switzerland's GHG emissions: 'with measures', 'with additional measures' and 'without measures'. Trends in emissions and removals according to these scenarios are reported in CTF tables 6a, 6b and 6c. The ERT noted that information reported in the CTF tables does not include the effects of domestic compensation and thus differs from the information reported in tables 30–32 of the NC6.

31. The ERT noted information reported by Switzerland on projected emission trends in the 'with measures' and 'with additional measures' scenarios by 2020. According to the reported information, and including the effects from domestic compensation, the projected emission trends are 15.2 per cent with measures and 21.8 per cent with additional measures below the base year by 2020, while the target is 20 per cent below the base year.

D. Provision of financial, technological and capacity-building support to developing country Parties

1. Provision of support to developing country Parties

32. In its BR1 and CTF table 7, Switzerland reported information on the provision of financial, technological and capacity-building support required under the Convention.

33. The BR1 does not include information required by the UNFCCC reporting guidelines on Switzerland's approach for tracking the provision of financial, technological and capacity-building support to Parties not included in Annex I to the Convention (non-Annex I Parties); PaMs that promote the scaling up of private investment in mitigation and adaptation activities in developing country Parties; how Switzerland seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties with regard to climate change adaptation and mitigation; the methodologies used to specify the funds as provided, committed and/or pledged; and how funds are defined as being climate-specific (in footnote e to table 7 and 7a). Moreover, the methodology to define climate-specific funds included in the footnotes to table 7b is not clear; that is, it is not clear how the climate-specific part of a project is determined.

34. During the review, Switzerland provided additional information, elaborating on its system for tracking the provision of support, explaining that it builds on the usual indicator sets contained in logical frameworks. Furthermore, Switzerland explained that its projects and programmes are subject to regular internal and external evaluation and audit, and that their overall effectiveness is regularly assessed through thematic reports on effectiveness. Switzerland also provided documentation on the reporting guidelines for supported activities of the State Secretariat of Economic Affairs (SECO). Moreover, Switzerland explained the difficulties to report on private flows and described some of the measures it is carrying out to scale them up, such as the establishment of clean technology platforms.

35. Regarding a description of how Switzerland seeks to ensure that the resources it provides effectively address the needs of non-Annex I Parties, the Party explained that it works exclusively through country-driven modalities, which ensure that the assistance

provided responds to the specified needs of its partners. It also explicated that programmes and projects are developed through dialogue with client countries' stakeholders. Switzerland clarified that its BR does not specify the funds as provided, committed and/or pledged because all of the funds it offers are considered disbursed. It also explained that SECO, FOEN and the Swiss Agency for Development and Cooperation (SDC) follow the logic and modalities of the Organisation for Economic Co-operation and Development Assistance Committee Rio markers, and that each entity has developed its own method to define the climate-specific share of the support it provides.

36. The ERT recommends that Switzerland provide a description of the approaches used to track the provision of support in its next BR. The ERT also recommends that Switzerland describe the approaches used to ensure that the resources provided effectively address the needs of non-Annex I Parties. In addition, the ERT encourages Switzerland to report on private financial flows and on its PaMs to scale up private investment; to include an explanation as to why it considers all provided funds as disbursed; and to include a more detailed explanation on how each of its agencies define 'climate-specific' funds in its next BR.

37. In its BR1, Switzerland provided details on what "new and additional" financial resources it has provided and clarified how these resources are "new and additional". Switzerland did not describe how its resources address the adaptation and mitigation needs of non-Annex I Parties (see para. 33 above). Table 4 includes some of the information reported by Switzerland on its provision of financial support.

Table 4
Summary of information on provision of financial support in 2011–2012
(United States dollars)

	Years of disbursement	
Allocation channel of public financial support	*2011*	*2012*
Multilateral climate change funds[a]	17 970 116	13 374 968
Other multilateral climate change funds[b]	272 212	72 382
Multilateral financial institutions including multilateral development banks	23 468 669	5 556 402
Specialized United Nations bodies	5 607 475	3 915 465
Other		
Total contributions through multilateral channels	**47 046 261**	**22 846 836**
Total contributions through bilateral, regional and other channels	**119 331 062**	**152 435 556**
Total	**166 377 323**	**175 282 393**

[a] Multilateral climate change funds listed in paragraph 17(a) of the "UNFCCC biennial reporting guidelines for developed country Parties" in decision 2/CP.17.

[b] Other multilateral climate change funds as referred to in paragraph 17(b) of the "UNFCCC biennial reporting guidelines for developed country Parties" in decision 2/CP.17.

2. Approach used to track support provided

38. The overall amount of climate change-specific finance provided by Switzerland increased from USD 166.38 million in 2011 (USD 47.05 million multilateral, USD 119.33 million bilateral) to USD 175.28 million in 2012 (USD 22.85 million multilateral, USD 152.44 bilateral). The core contributions provided by Switzerland to multilateral

institutions, of which a share is allocated to finance climate change adaptation and mitigation action, increased from USD 457.75 million in 2011 to USD 449.60 million in 2012. Climate change-specific support through multilateral channels is mainly devoted to funding for cross-cutting activities in mitigation and adaptation (USD 39.28 million in 2011 and USD 19.67 million in 2012). While in 2011 multilateral financial institutions were the preferred multilateral channel, in 2012 their relative importance declined significantly (from USD 23.47 million in 2011 to USD 5.56 million in 2012).

39. The levels of funding for mitigation and adaptation activities through bilateral and regional channels are roughly comparable (mitigation: USD 52.76 million in 2011 and USD 80.65 million in 2012; adaptation: USD 66.57 million in 2011 and USD 71.79 million in 2012). Switzerland's priority regions for the provision of support are, in order of importance, Asia, Latin America and Africa (although it must be noted that the provision of support for the latter region almost doubled from 2011 to 2012, from USD 12.78 million to USD 22.53 million). Nevertheless, the largest share of Switzerland's bilateral and regional official development assistance (ODA) is allocated through its global programmes, for which funding was doubled from 2011 to 2012 (from USD 43.52 million to USD 64.72 million).

40. Switzerland applies various approaches to track the support it provides through multilateral, bilateral and regional channels, although it did not provide information on such approaches in its BR1 (as described in para. 33 above).

41. With regard to the most recent financial contributions (fast-start finance) to enhance the implementation of the Convention by developing countries, in February 2011 the Swiss Parliament decided to increase the level of ODA to 0.5 per cent of gross national income. As part of this decision, a new and additional amount of CHF 125 million was allocated with immediate effect to Switzerland's fast-start finance. This amount was added in equal parts to the international cooperation budgets of SDC and SECO. An additional amount of CHF 15 million is allocated to fast-start finance as part of the Swiss contribution to the Fifth Replenishment of the Global Environment Facility. This brings the additional fast-start finance from public sources to CHF 140 million.[4]

3. Technology development and transfer

42. In its BR1, Switzerland has provided some information on activities related to the transfer of technology to developing countries. Further information is included in its NC6, as summarized in chapter II.D of the IDR/NC6.

43. The BR1 and CTF table 8 does not include information required by the UNFCCC reporting guidelines on BRs on measures taken to promote, facilitate and finance the transfer of, access to and the deployment of climate-friendly technologies for the benefit of non-Annex I Parties, and for the support of the development and enhancement of endogenous capacities and technologies of non-Annex I Parties; success and failure stories; and, in textual and tabular formats, measures and activities related to technology transfer implemented or planned since Switzerland's last NC or BR.

44. During the review, Switzerland explained that it can provide information on measures taken to promote, facilitate and finance the transfer of, access to and the deployment of climate-friendly technologies for the benefit of non-Annex I Parties, and for

[4] According to the report referenced in footnote 17, page 225, of Switzerland's NC6: SCD/SECO/FOEN. 2013. *Final Report Swiss Fast-Start Finance*. Bern: SCD/SECO/FOEN. Available at <http://unfccc.int/files/cooperation_support/financial_mechanism/fast_start_finance/application/pdf/swiss_fsf_final_report_2013.pdf>.

the support of the development and enhancement of endogenous capacities and technologies of non-Annex I Parties, as well as success and failure stories. Moreover, Switzerland noted that identifying specific information on measures and activities related to technology transfer implemented or planned since its last NC or BR is challenging, as such activities are an integral part of most of its supported projects, but that it should be able to include this information in its next BR. The ERT recommends Switzerland include all required information and CTF table 8 in its next BR.

4. Capacity-building

45. In its BR1 and CTF table 9, Switzerland has not provided information on how it has provided capacity-building support for mitigation, adaptation and technology. The BR1 does not contain information in textual and tabular format on how Switzerland has provided capacity-building support that responds to the existing and emerging capacity-building needs identified by non-Annex I Parties in the areas of mitigation, adaptation, and technology development and transfer. During the review, Switzerland explained that identifying such information is challenging, given that capacity-building activities are an integral part of most of its supported projects, but that it should be able to provide this information in its next BR. The ERT recommends that Switzerland include information on how it has provided capacity-building support for mitigation, adaptation and technology and CTF table 9 in its next BR.

III. Conclusions

46. The ERT conducted a technical review of the information reported in the BR1 and CTF tables of Switzerland in accordance with the UNFCCC reporting guidelines on BRs. The ERT concludes that the BR1 and CTF tables provide a good overview of information on emissions and removals related to the quantified economy-wide emission reduction target as well as a description of the target and of progress made by Switzerland to achieve its target. Information on the provision of support to developing country Parties is not complete. However, during the review, Switzerland provided additional information on its provision of financial, technological and capacity-building support to developing country Parties.

47. Switzerland's emissions and removals related to the target for 2011 were estimated to be 5.4 per cent below its 1990 level excluding LULUCF and 6.4 per cent below including LULUCF. Emission trends were driven by economic and population growth; however this was more than compensated for by a warm winter in 2011 and improvements in the energy efficiency of buildings, as well as by decreases in livestock and in fertilizer use and by banning the disposal of waste in landfills. Switzerland's per capita and per GDP emissions are low compared with other Annex I Parties because its electricity generation is almost CO_2-free.

48. Switzerland reported on its quantified economy-wide emission reduction target by 2020, which is a 20 per cent reduction in emissions compared with 1990 levels. Switzerland has offered to increase its target to a 30 per cent reduction by 2020 compared with 1990 levels, pending some conditions (see para. 14 above). The target covers all gases and sectors. Switzerland will apply the activity-based approach for accounting for LULUCF and plans to use carbon credits from market-based mechanisms.

49. Concerning the progress made by Switzerland in achieving its economy-wide emission reduction target, the ERT noted that total GHG emissions (without LULUCF) in 2011 decreased by 5.4 per cent compared with 1990 levels. In addition, the estimated removals in 2011 from afforestation, reforestation, and deforestation and forest

management (activities under Article 3, paragraphs 3 and 4, of the Kyoto Protocol) are expected to offset 5.4 per cent of the total GHG emissions (without LULUCF). Another 6.1 per cent of the total GHG emissions would be offset by units from market-based mechanisms if annual mean values of provisional estimates of acquired units from CDM and JI projects during the first commitment period of the Kyoto Protocol were to be taken into account. According to the reported information, the projected emissions are 15.2 per cent below base year by 2020. The contribution of LULUCF in 2020 is expected to be negligible, but additional measures are expected to decrease emissions by another by 6.6 per cent.

50. Switzerland has implemented a wide range of mitigation actions for GHG emissions across all sectors. The CO_2 Act provides the legislative framework to comply with the national emission reduction target and the target under the Convention. Major accompanying policy instruments are the Energy Strategy 2050, the Agricultural Policy 2014–2017 and the Forest Policy 2020. Switzerland is planning a complete phase out of electricity produced in nuclear power plants and replacement of this electricity with energy efficiency, new and additional renewable energy production and efficient gas-fired power plants.

51. Key PaMs include levies, regulations, ordinances and the Swiss Emissions Trading Scheme; however, the latter covers only a small amount of emissions. Due to its emission profile, most PaMs – including the CO_2 levy, the National Building Refurbishment Programme (which targets both energy efficiency and fuel switching in residential and commercial sectors) and building codes – target the energy sector, with emphasis on buildings. Switzerland has obligations in place for importers of fossil fuels for transport and for gas-fired power plants to compensate for part of the related emissions. Switzerland has implemented policies for a modal shift in transport from road to rail, made significant investments to cope with increased freight transport, and adopted CO_2 emission regulations for new passenger cars. It has strengthened its policy on F-gases and adopted the Agricultural Policy 2014–2017, which aims to increase the value added of Swiss agricultural products and decrease the impact of agricultural activities on the environment.

52. Information provided in the BR1 on the provision of financial, technological and capacity-building support to developing country Parties shows that the overall level of climate change-specific finance provided by Switzerland increased in 2012 compared with 2011.

53. In the course of the review, the ERT formulated several recommendations relating to the completeness and transparency of Switzerland's reporting under the Convention. The key recommendations[5] are that Switzerland:

(a) Improve the completeness of reporting by including in the next BR the following information:

(i) The approaches used to track the provision of support to non-Annex I Parties;

(ii) The approaches used to ensure that the resources provided effectively address the needs of non-Annex I Parties regarding climate change adaptation and mitigation;

(iii) The measures to promote, facilitate and finance the transfer of, access to and the deployment of climate-friendly technologies for the benefit of non-Annex I Parties, and for the support of the development and enhancement of endogenous capacities and technologies of non-Annex I Parties;

[5] The recommendations are given in full in the relevant sections of this report.

(iv) The measures and activities related to technology transfer implemented or planned since Switzerland's last NC or BR (table 8 of the CTF and the related textual information in the BR);

(v) A description of how Switzerland has provided capacity-building support for mitigation, adaptation, and technology development and transfer (table 9 of the CTF and the related textual information in the BR);

(b) Improve the transparency of reporting by including in the next BR the following information:

(i) Amount of units from market-based mechanisms (in CTF tables 4 and 4b);

(ii) The historical total effect of its implemented and adopted PaMs in accordance with the UNFCCC reporting guidelines for NCs, using a consistent approach for estimating the total effect for past and future years.

Annex

Documents and information used during the review

A. Reference documents

"UNFCCC biennial reporting guidelines for developed country Parties". Annex to decision 2/CP.17.
Available at <http://unfccc.int/resource/docs/2011/cop17/eng/09a01.pdf#page=4>.

"Guidelines for the technical review of information reported under the Convention related to greenhouse gas inventories, biennial reports and national communications by Parties included in Annex I to the Convention". Annex to decision 23/CP.19. Available at <http://unfccc.int/resource/docs/2013/cop19/eng/10a02.pdf#page=20>.

FCCC/ARR/2013/CHE. Report of the individual review of the annual submission of Switzerland submitted in 2013. Available at <http://unfccc.int/resource/docs/2014/arr/che.pdf>.

FCCC/IDR.5/CHE. Report of the in-depth review of the fifth national communication of Switzerland. Available at <http://unfccc.int/resource/docs/2010/idr/che05.pdf >.

Sixth national communication of Switzerland. Available at <http://unfccc.int/files/national_reports/annex_i_natcom/submitted_natcom/application/pdf/che_nc6_opt.pdf>.

First biennial report of Switzerland. Available at <http://unfccc.int/files/national_reports/annex_i_natcom/submitted_natcom/application/pdf/che_nc6_opt.pdf>.

Common tabular format tables of Switzerland. Available at <http://unfccc.int/files/national_reports/biennial_reports_and_iar/submitted_biennial_reports/application/pdf/che_2014_v1.0.pdf>.

2013 GHG inventory submission of Switzerland. Available at <http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/7383.php>.

B. Additional information provided by the Party

Responses to questions during the review were received from Ms. Marjorie Perroud (Federal Department of the Environment, Transport, Energy and Communications, Federal Office for the Environment, Climate Unit), including additional material on updated policies and measures, greenhouse gas projections and recent climate policy developments in Switzerland. The following documents[1] were also provided by Switzerland:

SECO/WEQA. 2013. *Capacity Development in SECO Projects and Programs. Manual on the inclusion of capacity development in projects and programs with a Checklist for (National) Program Officers. Checklists for Capacity Development.* Draft 3.2.

State Secretariat for Economic Affairs. 2014. *SECO Reporting Guidelines.*

[1] Reproduced as received from the Party.

State Secretariat for Economic Affairs. 2014. *SECO Progress Report Template*. Version March 2014.

State Secretariat for Economic Affairs. *SECO Logframe.* Version 1.2.