Global Sustainable Buildings Guide - Switzerland

| Contents |
| --- |
| To generate table of contents, right-click here and select **Update Field.** |

Select a topic from the menu and explore the questions within.

*This chapter was last reviewed in April 2024.*

# Authors

# Green Certification

## Is there a nationally adopted and recognized form of certification for buildings? What is it and is it mandatory for all new buildings and refurbished buildings?

The standardized Swiss cantonal building energy certificate (called GEAK in the German-speaking part and CECB in the French-speaking part of Switzerland) assesses the following:

The quality of the building envelope

The overall energy balance

The direct CO2 emissions

It classifies the inspected building into a predefined category based on a scale from A (very good) to G (poor), inspired by the energy label for electrical appliances. There is also a GEAK Plus certificate, which includes an advisory report with options for energy-related renovations in addition to the above standard assessment.

The application of the GEAK tends to be limited to residential buildings, administrative and school buildings, hotels, retail spaces, restaurants, and mixed-use buildings in these categories. The GEAK is only issued by certified GEAK experts. The property owner is free to choose such an expert.

In most cantons, obtaining the GEAK is voluntary. However, the GEAK is mandatory to obtain subsidies in some cantons. Obtaining a GEAK Plus is also mandatory throughout Switzerland for subsidies of more than CHF 10,000 from a building renovation program. In the cantons of Vaud, Fribourg and Neuchâtel, it is mandatory for certain changes of ownership of certain types of buildings, depending on their size and use cases. On the other hand, the canton of Basel-Stadt requires all buildings heated with fossil fuels and older than 15 years to have a GEAK Plus, although no further obligations are associated with this.

Minergie is also the Swiss building standard for comfort, efficiency and climate protection for new buildings and renovations. Again, this is entirely voluntary, as this label is based on a private initiative with no legal basis. There is a simplified certification procedure for refurbishments. The high-quality building envelope and controlled air exchange play a special role here. Minergie buildings also consistently use renewable energies and exploit the potential of solar energy. They are CO2-free in operation and minimize greenhouse gas emissions during construction.

Alternatively, the Swiss Sustainable Building Standard (SNBS) is suitable for larger properties owned by institutional investors. The SNBS, which is also voluntary, assesses the sustainability of buildings comprehensively. This means that SNBS equally considers the needs of society, the economy and the environment in the planning, construction and operation of a building. In addition to the topics of renewable energies, greenhouse gas reduction, environmentally friendly construction and operation, it also covers social issues such as participation, high quality of use (e.g., through barrier-free construction) and health. Under the social and environmental pillars, the SNBS also takes into account economic aspects, such as site selection and earnings potential.

# Energy Performance Certificates and Minimum Energy Standards

## Is there a mandatory form of energy performance certification? When does it apply and are there any prescribed minimum standards?

So far, there are only a few examples in this regard: In the canton of Vaud, a revision of the cantonal law on energy is currently in progress. It will require the renovation of existing buildings, specifically those classified as G and F under the CECB, as these buildings will need to improve their energy efficiency over a period of 10 to 15 years. However, this law is also subject to an optional referendum by the people.

To date, only the canton of Geneva has implemented a mandatory energy performance certificate (indice de dépense de chaleur — IDC). The IDC is an energy performance indicator of a building’s energy consumption to accommodate its heating needs (heating and sanitary hot water). Since 2023, the IDC has been mandatory for every heated building. The index is calculated by dividing the annual energy consumption by the gross floor area of the building. The unit used is “megajoule per square meter per year.” All buildings with an IDC greater than 450 megajoules must undergo an energy audit. The canton of Geneva has also introduced thresholds for significant breaches. Initially, buildings with an index of more than 800 megajoules per square meter per year will be required to conduct energy renovation measures. The canton will issue administrative decisions requiring owners to reduce the index to below 450 megajoules per square meter per year within three years of receiving an official decision. However, buildings with an index between 450 and 800 megajoules per square meter per year must also take measures to improve their energy efficiency.

# Incentives for Green Retrofit

## Are there any government-funded or sponsored schemes for improving the energy efficiency of existing buildings and, broadly, how do they work?

The Swiss state system is very finely divided into federal, cantonal and municipal levels. Each of these levels has its own schemes with its own requirements to obtain benefits from incentives. This can range, for example, from federal support for core refurbishment to municipal support for balcony solar panels (e.g., the city of Zurich). It is therefore difficult to make general and nationwide statements about the structure of the funding programs. A good overview is provided by the website energiefranken.ch, which lists all subsidy programs available in a given location, including the relevant agency’s contact details.

The national building program (Gebäudeprogramm) is the most important government-funded initiative for improving energy efficiency. Part of the revenue from the CO2 levy is used for measures to reduce CO2 emissions from buildings in the long term. To be eligible for a federal contribution, a canton must have a program to promote the energy-efficient renovation of the building envelope and building services, as well as the replacement of existing electric or oil heating systems. The following construction measures are supported under the building program:

Thermal insulation of the building envelope

Replacement of fossil or electric heating systems with heating systems that use renewable energies or connection to a heating network

Comprehensive, energy-efficient renovations or renovations in larger stages

New buildings that meet certain Minergie standards

Applications for subsidies must always be submitted to the competent agency **before** the measurement is conducted. Applications submitted at a later date will not be considered. In most cases, the subsidy is limited to a one-off contribution to the individual measures; this also applies to smaller solar installations, whose operation and electricity production are not subsidized themselves. Rather, the funding is aimed at initial financing by covering a small investment contribution.

# CO2 and Energy Targets

## Are there any national targets for CO2 reduction and/or energy use reduction from buildings? If there are, are there any exclusions?

Switzerland has signed and ratified the Paris Climate Agreement. To achieve the goals of this agreement, the Federal Council has decided to reduce CO2 emissions to net zero by 2050. In addition to the net-zero target, the law sets interim targets for 2040 and for the periods 2031-2040 and 2041-2050, and contains reference values for the buildings, transport and industry sectors. For the building sector, this means an 82% reduction by 2040 compared to 1990. By 2020, the reduction has already accumulated to -40%.

The federal government is planning measures to achieve this goal: The replacement of oil, gas and electric heating systems with climate-friendly heating systems is to be supported with CHF 2 billion. These subsidies are distributed in addition to the existing building program funding mentioned in the “Incentives for green retrofit” section. This is the core of a new federal law that the Swiss people approved in 2023. New obligations or even bans on certain heating systems are not part of this law. It will come into force in 2025.

The CO2 Act serves as a further instrument for implementing the Paris targets and is currently undergoing the parliamentary amendment process for the period after 2025. Following the Swiss people’s rejection of an earlier draft of the law, it no longer contains any far-reaching obligations for the building sector. The only relevant levy is the CO2 levy, which would make fossil fuel-powered heating systems more expensive and, therefore, negatively affect their running costs. However, this levy remains unchanged at CHF 120 per ton of CO2.

With regard to the exclusions for existing buildings and heating systems, the protection of the status quo is still guaranteed by the Swiss Constitution and by law. Under the national laws mentioned in this section, no one is currently forced to change a running system. Additionally, the obligations under cantonal energy laws only apply in most cases when the heating system is replaced. The canton of Basel-Stadt is an exception because it bans even functioning fossil fuel heating systems by 2035. Further, changing the ownership of property never triggers a refurbishment obligation.

# Renewable Energy

## Are there any regulations requiring a percentage of energy consumption to come from renewable sources?

Due to the cantons’ constitutional responsibility, there are different regulations in this area throughout Switzerland. The conference of cantonal energy counsels therefore adopted the 2014 model regulations of the cantons in the energy sector (MuKEn 2014), which aim to achieve the greatest possible harmonization and simplification of construction planning and the corresponding approval procedures. However, to be binding, these regulations must be implemented in the cantons’ energy laws.

After the implementation process in recent years, in practically all cantons, at least 10% of the newly generated heat must come from renewable energies or be saved through improved energy efficiency. In the cantons of Basel-Stadt, Zurich and Geneva, this percentage is 100% for all buildings. However, in the Zurich cost model, it can be proven that the green substitution of heating sources leads to considerable additional costs over the life cycle and, therefore, an exemption from the full 100% would be appropriate. In the cantons of Neuchâtel and Glarus, this regulation only applies to residential buildings, while other cantons stipulate a 10% or 20% share. As an exception, there is currently no corresponding regulation in the canton of Solothurn.

In the case of new buildings, an appropriate proportion of electricity consumption must be covered by self-production. If this is not possible or desirable, a replacement levy must be paid, for which an amount of CHF 1,000 per unrealized kilowatt output is recommended.

In 2023, the drafts of the cantons’ revised model regulations in the energy sector were published. The development of the MuKEn 2014 is entitled “Energy hub building.” This title highlights the fact that the building is increasingly becoming the central unit for the consumption, production and storage of energy. The specifications for heat generation and in-house electricity generation will be tightened. As a result, the MuKEN 2014 will gradually be replaced by new model regulations by 2025. It will then be up to the cantons to incorporate the requirements of the new regulations into their cantonal energy laws to be mandatory.

# Regulation

## What other national regulatory measures are there, such as taxes on energy consumption and/or tax reliefs on energy-saving measures, that can encourage more efficient use of energy in buildings?

The CO2 levy applies to fossil fuel sources that produce heat or electricity. The goal is to make fossil fuel-powered heating systems more expensive and to encourage the switch to greener alternatives. During the 2024 amendment of the respective law, an increase in the levy or an extension to other fuels, such as petrol or kerosene, was deemed not politically feasible. As a result, the levy will remain unchanged at CHF 120 per ton of CO2 for some time to come, i.e., it will fall steadily after adjustments for inflation.

Moreover, the funding instruments in Switzerland are not so focused at the national level. For example, there are cantonal differences in the amount of deductions that can be claimed against taxable income for energy efficiency measures. There are even community-specific differences in the subsidies.

Tax advantages are particularly relevant for properties held as private assets. Green investments can be deducted from taxes over several years or, in the case of photovoltaic systems, they do not count as value-enhancing in some situations.

Finally, buildings in the canton of Geneva that meet the High Energy Performance (HPE) or Very High Energy Performance (THPE) standard can benefit from an exemption on the additional property tax for 20 years. The HPE standard is awarded to new or refurbished buildings whose thermal envelope is upgraded to produce at least 10 watts per square meter of electricity, whose roof is equipped with solar thermal collectors to provide at least 30% of the heat needed for domestic hot water, and whose main heat supply comes from non-fossil local energy sources or from a district heating network whose non-fossil local energy content is at least 50%. The THPE standard is awarded to new or refurbished buildings whose thermal envelope is upgraded to produce at least 30 watts per square meter of electricity, whose roof is upgraded with solar thermal collectors to provide at least 50% of the heat needed for domestic hot water, and whose main heat supply comes from non-fossil local energy sources or a district heating network whose non-fossil local energy content is at least 80%.

# Financing

## Are there any public or private “green” financing initiatives for sustainable real estate projects?

Sustainable real estate projects by private and institutional players benefit from cantonal energy subsidies, partly financed by the federal government through the national building program (Gebäudeprogramm) and the proceeds of the federal CO2 tax. Employers, associations, trade unions and the Asloca (tenants’ association in the French-speaking part of Switzerland) have recently reached a historic agreement on a CHF 500 million package of energy subsidies for building renovation in Geneva, which must still be approved by the legislative power of the canton of Geneva.

Green financing initiatives are promoted by nonprofit associations that align with environmental, social and governance principles (i.e., Climate Bonds Initiative, Swiss Sustainable Finance, Swiss Green Economy Symposium). Several banks offer green financing initiatives such as green bonds and mortgages. For instance, UBS’ “Mortgage Green” initiative offers a reduction in interest rates for residential properties with green certification (Minergie, GEAK Class A/B or HPE/THPE).

Private foundations such as myclimate and Energy Future Switzerland offer subsidy programs for heat pumps to replace fossil fuel heating systems. The following online tool gives an overview of the existing subsidy programs in each canton: <https://www.energiefranken.ch/de>.

# Planning

## Is the national or local/state government able to mandate green initiatives via the planning/zoning regime (e.g., district heating systems on large developments)?

Through planning and zoning regimes or construction bylaws, municipalities and cantons can require mandatory connection to local district heating networks powered by renewable energies. In these cases, especially for developments in new neighborhoods, the mandatory connection is a requirement to obtain a building permit.

The planning benefit of an increased land utilization rate in the canton of Geneva is worth noting. Usually, the surface area of a building in a single-family zone may not exceed 25% of the surface area of the plot. In Geneva, this can be increased to 27.5% if the building complies with the HPE standard or to 30% if the building complies with the THPE standard. These percentages also apply to renovation projects that meet one of these standards. In addition, in areas of increased densification, as defined by a local development plan, and where this measure is compatible with the character, harmony and layout of the neighborhood, developers can also benefit from gradual increases in the utilization of their property. Some cantons have similar provisions with minimum additional utilization, but more as sort of a compensation, as a more solid building envelope is often required for energy-efficient renovations.

# Green Leases

## Are green leases or green lease provisions mandatory or optional? If mandatory, to whom do they apply? If optional, is there significant take up?

Green lease provisions are optional. While green lease provisions are not yet market standard in Switzerland, there has been a significant (and growing) uptick in respective interest from landlords (in particular, foreign ones) in recent years. They are an effective tool for landlords to encourage tenants to use the property in the most sustainable way possible, while allowing owners and developers to better manage the energy consumption of their buildings and reduce the cost of energy consumption. Without such green provisions in the lease, landlords have limited options to influence their tenants’ environmentally friendly usage of the rental premises. Green lease provisions need to be specifically included in the lease to be enforceable against the tenant. Adding them to existing leases generally requires the signing of a lease amendment. If applicable, it is therefore advisable for landlords to plan ahead and to integrate green leases into their leases when new leases are signed.

Green lease provisions range from environmentally friendly cleaning procedures, to waste reduction and recycling, to requiring the use of energy-efficient appliances and lighting.

©Copyright © 2025 Baker & McKenzie. All rights reserved. **Ownership**: This documentation and content (Content) is a proprietary resource owned exclusively by Baker McKenzie (meaning Baker & McKenzie International and its member firms). The Content is protected under international copyright conventions. Use of this Content does not of itself create a contractual relationship, nor any attorney/client relationship, between Baker McKenzie and any person. **Non-reliance and exclusion**: All Content is for informational purposes only and may not reflect the most current legal and regulatory developments. All summaries of the laws, regulations and practice are subject to change. The Content is not offered as legal or professional advice for any specific matter. It is not intended to be a substitute for reference to (and compliance with) the detailed provisions of applicable laws, rules, regulations or forms. Legal advice should always be sought before taking any action or refraining from taking any action based on any Content. Baker McKenzie and the editors and the contributing authors do not guarantee the accuracy of the Content and expressly disclaim any and all liability to any person in respect of the consequences of anything done or permitted to be done or omitted to be done wholly or partly in reliance upon the whole or any part of the Content. The Content may contain links to external websites and external websites may link to the Content. Baker McKenzie is not responsible for the content or operation of any such external sites and disclaims all liability, howsoever occurring, in respect of the content or operation of any such external websites. **Attorney Advertising**: This Content may qualify as “Attorney Advertising” requiring notice in some jurisdictions. To the extent that this Content may qualify as Attorney Advertising, PRIOR RESULTS DO NOT GUARANTEE A SIMILAR OUTCOME. **Reproduction**: Reproduction or copying of the Content on this Site without express written authorization is strictly prohibited.