

Enforcement Aid UV 2561

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# Enforcement Aid for Assessing Climate-Related Claims in Accordance with the Unfair Competition Act

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[CO2 Act Article 39\(4<sup>bis</sup>\)](#)

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## Relevant subject areas

|       |                    |              |               |      |           |                      |           |           |       |     |                 |       |           |     |                   |       |
|-------|--------------------|--------------|---------------|------|-----------|----------------------|-----------|-----------|-------|-----|-----------------|-------|-----------|-----|-------------------|-------|
| Waste | Contaminated sites | Biodiversity | Biotechnology | Soil | Chemicals | Electromog and light | Climate • | Landscape | Noise | Air | Natural hazards | Law • | Incidents | EIA | Forest and timber | Water |
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## Imprint

### Legal significance

This publication was written by the FOEN, the federal agency responsible for assessing climate protection issues, and is aimed at authorities and private individuals who are involved in enforcing the Unfair Competition Act, are assessing possible violations of fair trading provisions or are subject to such provisions. It specifies the legal requirements (with regard to undefined legal terms and the scope/exercise of discretion), aims to promote uniform legal interpretation and practice, and thus also creates legal certainty for market participants with regard to the relevant federal legal requirements.

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## Key points in brief

According to [Article 3\(1\) UCA](#), a person acts unfairly if they provide **incorrect** or **misleading** information about themselves, their goods, works or services (letter b). Since 1 January 2025, claims relating to the climate impact caused must also be substantiated **on the basis of objective and verifiable criteria** (letter x).

Fair climate-related claims are **clear, true and verifiable**. The respective verification is based on up-to-date and recognised standards and methods and particularly takes into account legally referenced standards and methods, where available. The basis on which a climate-related claim is made must be essentially available and comprehensible, while protecting any confidential information. High transparency and comprehensibility requirements apply in particular to climate impact calculations, the type of CO<sub>2</sub>/GHG emission reductions that have been achieved or are planned, and any carbon offsetting measures that may be included (see also Section 2.1, Chapter 4, Annex 1).

Claims on the climate impact **of products**, including **services**, must not be based on carbon offsetting measures (Section 2.2).

In the case of **claims on the climate impact of companies**, however, a decision must be made on the basis of the claim in question as to whether and under what conditions it may also refer to carbon offsetting measures. In addition, the carbon offsetting measures included must at least meet certain assessment principles (Sections 2.2 and 2.3).

**The claim “climate neutral”** refers not only to GHG or CO<sub>2</sub> emissions, but also to other climate impacts and is therefore, based on current knowledge, impossible to verify. This also applies to statements such as “climate positive”.

Companies can only achieve **“carbon neutrality”** if all hard-to-avoid carbon emissions are fully off-set by negative emissions. Currently, only international “ITMOs” for negative emissions and national attestations for negative emissions meet the requirements for such carbon certificates.

**“Net zero”** is generally used for companies in connection with a target date and refers to GHG or carbon neutrality targeted by that date.

**Carbon certificates based on private standards** that do not qualify as “ITMOs” for negative emissions can only be used to claim a contribution to climate targets, also known as a *contribution claim*, without precise offsetting of tonnes of CO<sub>2</sub>.

Since 1 January 2024, large public companies have been required to report on climate issues (for the first time in 2025 for the 2024 financial year). This includes the publication of a **transition plan** that is comparable to Swiss climate targets (on a “comply or explain” basis). This corresponds to a **net-zero roadmap**. The requirements for net-zero and other climate-related claims in this Enforcement Aid are aligned with the minimum requirements for net-zero roadmaps for companies in the real economy and with those for transition plans for companies in the financial sector (see Sections 3.1 and 4.2). Climate-related claims that are part of legally required reporting or roadmaps must also meet the requirements of Article 3(1) Unfair Competition Act.

# 1 Introduction

## 1.1 Background

Fair, i.e. honest and credible, communication about the climate impact of companies and products (including services) requires that the climate impact caused and the measures taken to reduce it are presented transparently and that such information is based on sound scientific evidence.

Climate-related claims such as “climate neutral” or “CO<sub>2</sub> compensated” are often unclear and can easily mislead customers (risk of *greenwashing*). In many cases, there is a lack of transparency regarding such claims’ actual content, scope and the scientific principles on which they are based.

Furthermore, such claims are often based on so-called offsetting mechanisms. This involves purchasing carbon certificates generated by projects that have no direct connection to a product or company, e.g. reforestation projects. These certificates are intended to offset greenhouse gas emissions generated during e.g. product manufacturing. There is a risk that emission reductions will be overestimated or counted twice, e.g. by the project that actually reduces emissions and by the company that purchases the certificates. This can compromise the integrity and credibility of such claims and distract companies from reducing their own emissions.

Climate impact is mainly caused by greenhouse gas (GHG) emissions. The nationally and internationally agreed climate protection targets aim to limit the concentration of GHG in the atmosphere to a level that prevents dangerous climate change.<sup>1</sup> According to the hierarchy of measures set out in Article 3(1) Federal Act on Climate Protection Targets, Innovation and Strengthening Energy Security (Climate and Innovation Act, CIA)<sup>2</sup>, this is to be achieved primarily through the reduction of GHG emissions. Only hard-to-avoid emissions should be offset by negative emissions, i.e. by removing CO<sub>2</sub> from the atmosphere.

GHG emissions at company level can be divided into direct emissions, indirect emissions, and up-stream and downstream emissions (according to the *Greenhouse Gas (GHG) Protocol*, these are referred to as Scope 1-3). A holistic view takes into account the entire value chain of a company. A holistic view of a product, on the other hand, considers the entire life cycle of the product, from raw material extraction and product manufacturing to use and disposal or reuse.

If GHG emission reductions or negative emissions are claimed that occur outside a company's value chain or outside a product's life cycle, this is referred to as offsetting. There are different types of carbon certificates for verifying such offsets. More detailed information and references on the terms mentioned and technical contexts can be found in Chapter 3.

## 1.2 Legal basis

According to Article 3(1)(b) Federal Act against Unfair Competition (Unfair Competition Act, UCA)<sup>3</sup>, a person acts unfairly if, among other things, they provide incorrect or misleading information about themselves, their goods, works or services, or benefit third parties in competition through such conduct. This also covers incorrect or misleading claims about the environmental or climate impact caused.

<sup>1</sup> Article 1 Federal Act of 30 September 2022 on Climate Protection Targets, Innovation and Strengthening Energy Security (Climate and Innovation Act, CIA, SR 814.310), in conjunction with Article 2 Paris Agreement of 12 December 2015 (Climate Agreement, SR 0.814.012).

<sup>2</sup> Federal Act of 30 September 2022 on Climate Protection Targets, Innovation and Strengthening Energy Security (Climate and Innovation Act, CIA, SR 814.310).

<sup>3</sup> Federal Act of 19 December 1986 against Unfair Competition (Unfair Competition Act, UCA, SR 241).

During the deliberations on the CO2 Act after 2024, the Swiss Parliament added a new letter x to [Article 3\(1\) UCA](#) according to which a person acts unfairly if they make claims about themselves, their goods, works or services relating to the environmental impact that they cause that cannot be substantiated on the basis of objective and verifiable criteria. It also added a new paragraph 4<sup>bis</sup> to [Article 39 CO2 Act](#)<sup>4</sup>, according to which the Federal Office for the Environment (FOEN) may provide principles and standards for determining the climate impact of companies and products. The aforementioned provisions came into force on 1 January 2025.

A **claim** relating to the climate impact caused in accordance with [Article 3\(1\)\(x\) UCA](#) is a perceptible statement, regardless of its form, which concerns objectively verifiable facts in the context of the climate impact of a company or a product (including services) (“**climate-related claim**”). Affixing a label may also constitute a climate-related claim. The scope of the Unfair Competition Act then extends to any claim that may influence the relationship between competitors or between suppliers and customers, regardless of whether it is made voluntarily or in compliance with a legal requirement (e.g. Article 964a et seqq. Swiss Code of Obligations (CO<sup>5</sup>)).

Climate-related claims covered by this Enforcement Aid relate to a communicating **company** or its goods, works or services. Goods, works and services are referred to individually or collectively as **products** in the following. The term “company” is broadly defined and, in this Enforcement Aid, refers not only to commercial companies but also to cooperatives, associations, foundations and sole proprietorships.

Article 3(1)(x) Unfair Competition Act reverses the burden of proof. Anyone who makes a climate-related claim must be able to prove its accuracy in the event of a dispute on the basis of objective and verifiable criteria. Although a communicating company is not obliged to have a climate-related claim independently verified by a third party in advance, it does bear the risk that the claim is unfair if it is not accompanied by appropriate evidence of its accuracy. The prohibition of misleading advertising also requires that, at the time a claim is made, further information be provided – namely, information that is necessary for the target audience to understand and comprehend the climate impact asserted in the claim.

### 1.3 Purpose and target audience

This Enforcement Aid clarifies the fair trading requirements for climate-related claims in accordance with the Unfair Competition Act and explains basic terminology in the context of climate protection. It also outlines the requirements that must be met in terms of the objectivity and verifiability of climate claims and provides an overview of the standards and methods referenced in Swiss regulations and provides further guidance. However, mentioning the standards and methods listed does not mean that compliance with them alone guarantees verification in accordance with Article 3(1)(x) Unfair Competition Act, nor that the use of other standards and methods not listed is excluded.

The aim of this Enforcement Aid is to promote **uniform application** of fair trading provisions and to make the necessary environmental expertise available to the authorities and private individuals concerned. For assessing legal actions against infringements of the Unfair Competition Act, the civil courts are competent. In addition to private parties such as competitors and consumer protection organisations, the federal government – represented by the State Secretariat for Economic Affairs (SECO) – is also entitled to take legal action if several persons are affected in their economic interests by climate-related claims.<sup>6</sup>

<sup>4</sup> Act of 23 December 2011 on the Reduction of CO2 Emissions (CO2 Act, SR 641.71).

<sup>5</sup> Swiss Code of Obligations (CO, SR 220).

<sup>6</sup> Articles 9 and 10 Unfair Competition Act.

Any person who wilfully competes unfairly in terms of Article 3 Unfair Competition Act may on complaint also be prosecuted.<sup>7</sup> This Enforcement Aid is also intended to serve self-regulatory institutions such as the Swiss Fair Trading Commission (SLK), which assesses fair trading cases as the self-regulatory body for the communications industry.<sup>8</sup>

At the same time, **this Enforcement Aid also addresses market players** such as companies and consulting firms. The objective of this Enforcement Aid is to create greater legal certainty for companies and provide them with the information they need to ensure that their climate-related commercial communications comply with federal law. This is also intended to counteract the risk of deliberately withholding climate-related information for fear of accusations of greenwashing ("*greenhushing*"). Many Swiss companies also operate in the European Union (EU). Annex 2 provides a brief overview of EU law and its developments in this area. The EU Directive on Empowering Consumers for the Green Transition, which has been in force since 2024, is particularly relevant in this context.

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<sup>7</sup> Article 23 Unfair Competition Act.

<sup>8</sup> Even before the new legal provisions came into force, the Swiss Fair Trading Commission (SLK) had already drafted a guideline for fair commercial communications: [SLK, Guideline – Commercial Communications with an Environmental Focus / with Environmental Arguments of 22 November 2023](#) (*not available in English*). This Enforcement Aid regulates in particular the inclusion of carbon offsetting measures and the use of specific terms more precisely than the SLK Guideline with an Environmental Focus.

## 2 Requirements for the use of climate-related claims

The requirements for the use of climate-related claims are listed below. Section 2.1 refers to overarching, general principles on how climate impact claims should be communicated and substantiated. Furthermore, Section 2.2 contains principles for substantiating climate-related claims about products and companies with carbon offsetting measures, and Section 2.3 contains assessment principles for carbon offsetting measures that apply when a claim is permissibly based on such measures. Section 2.4 then lists specific requirements for selected climate-related claims. Detailed explanations of individual terms used in the description of the requirements and corresponding references can be found in Chapter 3.

### 2.1 General principles

Climate-related claims must comply with certain general principles. Compliance with these principles is an essential basis for the objective verifiability and substantiability of a climate-related claim. They can be divided into

- formal criteria for communication quality (“**clarity; how is it communicated**”) and
- criteria for content integrity (substance, “**truth; what is being communicated**”).

**Annex 1 “General principles for assessing climate-related claims“** sets out the principles and provides climate-related examples. They can be applied to all claims about products and companies in all sectors.

### 2.2 Principles for substantiating climate-related claims with carbon offsetting measures

In accordance with the principle of clarity, claims that products have a neutral, reduced or positive climate impact must not be based on carbon offsetting measures (through reduction or negative emissions, see Section 3.2). The EU also generally excludes the use of carbon offsetting measures to substantiate such claims. Product advertising has a direct and immediate influence on purchasing decisions. If, for example, a product is advertised as “carbon neutral”, customers are given the impression that CO<sub>2</sub> emissions have been directly reduced and not just (or also) offset by measures outside the product’s life cycle. As the reference to the product is very specific, customers could mistakenly assume that the product in question was manufactured without emissions.

Corporate advertising, on the other hand, is more general in nature. Customers understand a climate claim about a company as a statement about its entire business activities, i.e. about all of a company’s actions and omissions. Therefore, it is **not fundamentally ruled out that company-related claims on climate impact may also be substantiated by carbon offsetting measures**. Whether and under what conditions carbon offsetting measures can be used without violating the prohibition of misleading advertising must be assessed on a case-by-case basis regarding the claim in question. If the offsetting of a company’s greenhouse gas emissions is required by law, it should be clearly stated that this measure serves to comply with a legal requirement.

### 2.3 Assessment principles for carbon offsetting measures (reductions and negative emissions)

Claims on a company’s climate impact that include offsets in accordance with the principles set out in Section 2.2 are only permissible if the carbon offsetting measures comply with the following principles. Further explanations and contextual information on the terms used (underlined in the text) can be found in Chapter 3:

- **Principle of hierarchy of measures (subsidiarity):** Companies prioritise emission reductions within companies and their own value chain. Hard-to-avoid emissions can be offset by negative emissions within the value chain or by carbon offsetting measures from negative emissions outside the value chain.

Carbon certificates may not be used to prevent, postpone or replace emission reductions within the value chain.<sup>9</sup> GHG reductions outside the value chain using carbon certificates are only used as a third priority. They are to be used exclusively to achieve additional GHG reductions beyond the emission reductions possible within the value chain and the establishment of negative emissions.

- **Principle of high integrity/quality:** Carbon certificates meet at least the quality requirements for environmental integrity and sustainability for national and international attestations under the CO2 Act<sup>10</sup> or the requirements of other countries under the “*Paris Agreement Crediting Mechanism (PACM)*”<sup>11</sup> according to Article 6.4 Paris Agreement<sup>12</sup>. This applies to both carbon certificates for negative emissions and those for reductions. The quality requirements include, in particular, additionality (the measure would not have been implemented without the certification system, for example), reference case determination (clear definition of the basis for comparison), permanence (long-term storage or avoidance of emissions), avoidance of lock-in/extension of fossil fuel use (so-called “*lock-in effect*”), monitoring, reporting and independent verification, as well as environmental and social safeguards.
- **Principle for avoiding double use** (also known as “*double claiming*” or “*double counting*” in an international context): The effect sold with carbon certificates from GHG reduction and negative emission measures should in principle only be credited once, for example at the level of a country, a canton or towards a company’s targets. As a general rule, this effect is credited in the country in which it was achieved. To ensure that climate impact statements of carbon offsetting measures are credible, it should be prevented that (i) more than one carbon certificate is issued for the same reduction unit or negative emission, (ii) a single carbon certificate is counted or used multiple times, and (iii) the same reduction or negative emission is claimed by several market players. This must also be correctly reflected in the respective register for carbon certificates (for attestations in Switzerland, in the Swiss Emissions Trading Register).

In **the case of carbon certificates issued for projects abroad**, double counting shall be avoided if the issuing country explicitly decides to transfer the effect. It can sign a so-called “*corresponding adjustment*” under Article 6 Paris Agreement. Such carbon certificates approved by countries are also known as ITMOs (*Internationally Transferred Mitigation Outcomes*) and form the basis of every Swiss international attestation. If negative emissions are attested in this process, they are referred to in Switzerland as sITMOs (s stands for “*sink*”). The decision whether to approve and issue a CO2 effect lies with the host country and is voluntary. If no approval has been issued by the respective country, the carbon certificate cannot substantiate any climate-related claims such as “carbon neutrality” or “net zero”, but only a claim as a “climate protection or mitigation contribution” (see Section 2.4). Therefore, there is no double counting if a company states that it is making an additional contribution to climate protection with carbon certificates based on private standards from Switzerland or abroad without crediting a specific reduction or negative emission to its carbon footprint.

## 2.4 Specific requirements for selected climate-related claims

There is a wealth of climate-related claims about companies and products on the market, with new wordings being added all the time. It is not always possible or expedient to classify these claims in a universally applicable manner. Nevertheless, in addition to the general principles (Section 2.1), requirements can be defined for selected claims that must be met in order for them to be used. Various categories of claims can also be created. This makes it possible to identify claims with similar meanings and assess them analogously.

<sup>9</sup> Cf. Article 2(d) Climate and Innovation Act (CIA); [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, 4 September 2023, Explanatory Notes to Chapter VI \(Environment\), para. 77](#); ISO 14068-1 Carbon Neutrality Standard.

<sup>10</sup> Cf. Article 7 CO2 Act and Article 5 et seqq. Ordinance of 30 November 2012 for the Reduction of CO2 Emissions (CO2 Ordinance, SR 641.711). The Annex to the CO2 Ordinance also lists emission reductions and negative emissions (increases in sink capacity) for which no certificates are issued abroad (Annex 2a) or in Switzerland (Annex 3).

<sup>11</sup> [Paris Agreement Crediting Mechanism | UNFCCC](#).

<sup>12</sup> Paris Agreement of 12 December 2015 (Climate Agreement, SR. 0.814.012).

A distinction is made below between **measurable** and **vague/generic** claims. Further contextual information and references to the **climate-related terms** used in the requirement descriptions (underlined in the text) can be found in **Chapter 3**. The requirements refer to the current understanding of the terms. This understanding may change in the future due to developments in scientific or political principles.

**Measurable claims** contain a quantitative element, i.e. they are measurable in terms of factors relevant to climate impact. Such measurable claims include, in particular, claims that presuppose offsetting (or “over-offsetting”) of GHG emissions (e.g. “GHG neutral”, “net zero”, “CO2 positive”, “100% CO2 compensated”) and claims about the complete absence of GHG emissions (e.g. “CO2 free”).

**Measurable claims** also include claims that imply a measurable reduction in greenhouse gas (GHG) emissions (e.g. in the form of a company's CO2 reduction pathway). Legally referenced **methods** for calculating measurable greenhouse gas reductions can be found in **Section 4.2.1**. Detailed explanations of **carbon offsetting measures** can be found in **Section 3.2** and legally referenced carbon offsetting standards in **Section 4.2.2**.

- **Carbon neutral/GHG neutral:** When GHG emissions are considered holistically across a company's entire value chain, there is no net increase in GHG/CO2 in the atmosphere. Once a company's GHG emissions have been reduced to the greatest extent possible – i.e. as far as technically feasible and economically viable – the total amount of GHG/CO2 emissions that remain after reduction and are hard to avoid is fully offset by negative emissions (-> see also *hierarchy of measures*). Reduction measures must be taken within a company's value chain. Offsets from negative emissions can also be credited to compensate for hard-to-avoid emissions. The requirements for carbon certificates that prove such negative emissions are currently only met by national attestations for negative emissions from domestic projects and carbon certificates from foreign projects for negative emissions in which the issuing country transfers the CO2 effect, so-called ITMOs (see Section 3.2).

“GHG neutral” goes beyond “carbon neutral”. “GHG neutrality” must take other greenhouse gases<sup>13</sup> into account. The use of the terms “carbon neutral” and “GHG neutral” is effectively ruled out for product-related claims, as carbon offsetting measures cannot be used to substantiate such claims (cf. Section 2.2 above).

- **Net zero:** Usually implies that a net-zero target for greenhouse gas or CO2 emissions has been set for the future (e.g. “net zero by 2040”). Unless specified otherwise, this target refers to all greenhouse gases, not just CO2 emissions, but not to other climate-impacting effects. The term “net zero” is to be understood in the same way as “neutrality” as defined above. In particular, any remaining hard-to-avoid emissions in the target year must be fully offset by negative emissions.<sup>14</sup> It must be clearly stated that a claim refers to a future state. Communicating such a target also requires that a reduction pathway for emissions be established in line with Switzerland's targets (-> see *Switzerland's net-zero target*). The corresponding roadmap and associated measures should be easily accessible to the target audience. The requirements for net-zero roadmaps, including any pathway for negative emissions, are described in Section 4.2.3.
- **Climate neutral:** Unlike “GHG neutral” or “carbon neutral”, “climate neutral” cannot actually be verified for a company or a product based on current knowledge.

<sup>13</sup> For the climate impact of other greenhouse gases, see Annex 1 to the Ordinance of 30 November 2012 on the Reduction of CO2 Emissions (CO2 Ordinance, SR 641.711).

<sup>14</sup> The Climate and Innovation Act (CIA) defines net zero as the greatest possible reduction in GHG emissions and offsetting the impact of remaining emissions through the use of negative emission technologies (Article 2(d) CIA, not available in English).

In addition to the same requirements as for “carbon neutral” or “GHG neutral”, the use of the claim “climate neutral” would also require effects on the climate that are not caused by GHG emissions<sup>15</sup> to be identified and fully offset on the basis of a systemic assessment. There are currently insufficient scientific methods for this. This also applies to statements such as “climate positive”. These terms should therefore not be used at present.

- **GHG/CO2 free:** From a holistic perspective, no GHG/CO2 emissions are released. The claim “free” implies that no GHG/CO2 is emitted at all – offsetting measures are therefore excluded in connection with this term.
- **Netto-negativ** (also referred to in the market as “CO2 positive” or “*carbon negative*”): From a holistic perspective, there is a net decrease in GHG/CO2 emissions, i.e. a negative net emissions balance that goes beyond GHG/carbon neutrality. This is achieved exclusively by means of additional carbon offsetting measures through negative emissions.<sup>16</sup>
- **Climate-/CO2-compensated, with climate-/CO2-offsetting (or similar):** Implies that the climate impact has been offset on the basis of reductions or negative emissions. A specific statement must be made regarding the extent and quality of the carbon offsetting measure. The carbon offsetting measures asserted must at least meet the requirements set out in Section 2.3. Without any quantitative information (e.g. “50% compensated”), the claim suggests complete offsetting of the climate impact. Carbon offsetting measures cannot be used to substantiate product-related claims (cf. Section 2.2 above).

**Vague and generic claims** usually imply a significant reduction in GHG emissions and at the same time leave room for broad interpretation. They therefore require a sufficient and clearly understandable explanation of the nature and extent of the reduction in climate impact (see Annex 1). Depending on the claim, vague or generic claims cannot be justified by carbon offsetting measures, even for companies.

- **Climate friendly/climate conscious/climate effective (or similar):** A company's activities or the manufacture, provision and use of a product are designed to minimise negative impacts on the climate system. Achieving this status is not based on carbon offsetting measures outside the company's value chain or the product's life cycle.
- **Reduced carbon footprint, CO2 reduced:** The carbon footprint<sup>17</sup> or carbon emissions of a product, process or company have been significantly reduced. This reduction can be either absolute (e.g. in tonnes of CO2) or relative (e.g. fewer CO2 emissions per unit produced), but does not refer to carbon offsetting measures outside the company's value chain or the product's life cycle. As part of the claim, it must be clearly indicated to which comparative value the claimed reduction refers and how large the reduction is.
- **With climate protection contribution/mitigation contribution** (or similar): Refers to GHG mitigations that a company finances outside its value chain without quantifying them in relation to its own emissions. Such contributions are not considered offsetting measures (see Section 2.3) and do not substantiate climate-related claims beyond the pure contribution. Sufficient and clearly understandable embedding (see Section 2.1) is also essential in this context. Additional financial resources can thus be sensibly invested in climate-friendly projects and this can be communicated without the challenges associated with measurable claims (see above).

<sup>15</sup> This means, for example, that the climate impact of flying as a result of contrails would have to be taken into account, cf. Article 14a(4) CO2 Act and [FOCA: Air traffic and climate](#) (*link does not work*). Regional or local biogeophysical impacts of the activities concerned, which influence surface albedo or the local climate, for example, must also be taken into account, see also IPCC SR1.5, Glossary.

<sup>16</sup> Cf. decision of the [Swiss Fair Trading Commission \(SLK\) \(169/23\) of 6 September 2023](#) (*not available in English*) (concerning the claim “Our jars are climate positive”), E. 8.

<sup>17</sup> Understood as the sum of GHG emissions emitted or removed in a product system, expressed as CO2 equivalents and based on a life cycle analysis (see Section 5 below).

**Examples:**

- «*Contribution Claim*»: One option is for companies to levy an internal CO<sub>2</sub> price on unreduced GHG emissions with the aim of creating incentives to reduce these emissions. If the funds generated in this way are invested in high-quality climate protection projects outside the value chain or if carbon certificates are purchased according to private standards, these climate protection contributions are referred to as “contribution claims” in the international context.<sup>18</sup>
- «*Mitigation Contribution*»: Another option is to purchase carbon certificates that have been issued by countries (under Article 6 Paris Agreement), but which do not transfer the CO<sub>2</sub> reduction effect and may also wish to count such effect themselves (these are therefore not ITMOs, see Section 2.3). Such certificates are called “*mitigation contributions*”.<sup>19</sup>

The market also contains numerous claims with implicit, generic climate references, such as “environmentally compatible”, “environmentally friendly”, “ecological”, “green”, “sustainable”, “éco” or “ESG” (*Environment, Social, Governance*). Climate impacts are often a significant component of the environmental impacts of a product or company. In these cases, such claims should also be assessed as vague or generic climate-related claims. As a rule, they require a significant reduction in climate impact.

If an ambiguous abbreviation such as “**éco**” is used (particularly common in French), it must be clarified whether it refers to an “economic” (“économique -> éco”) and/or an “ecological” (“écologique -> éco”) product.

The claim to the integration or consideration of **ESG** (*Environmental, Social, Governance*) factors is often used in the context of financial products and services. In this regard, the position of the Federal Council<sup>20</sup> should be kept in mind: the sustainability targets underlying such claims should be defined on the basis of a reference framework that is as broadly applied as possible, for example in line with the Sustainable Development Goals (SDGs) of the United Nations' 2030 Agenda and international agreements ratified by Switzerland. Sustainability targets and criteria set by companies themselves are not considered a reference framework. Financial products and services that are designed to reduce potential ESG risks or optimise performance generally pursue a purely financial investment objective and should therefore not be described as **sustainable** unless they pursue at least one specific sustainability target. Claims on the climate compatibility (*alignment*) or climate target contribution (*impact*) of financial products and services must also be substantiated by objective and verifiable criteria. Furthermore, a climate target contribution may only be claimed if the stated effects or savings are presented transparently and are also measurable and verifiable. In addition, for example for investment funds, regular reporting on the actual climate impact must also be available.

<sup>18</sup> E.g. [WWF Germany, Fit for Paris – A guide to aligning corporate climate strategies with the Paris Agreement, October 2021](#) (not available in English), Building Block 3; also corresponds to the concept of *Beyond Value Chain Mitigation* ([Beyond Value Chain Mitigation – Science Based Targets Initiative](#); [Take Responsibility for Residual Emissions Through Beyond Value Chain Mitigation \(BVCM\) | GS](#)).

<sup>19</sup> [The Mitigation Contribution under Article 6: key understandings and what it means for the VCM | GS](#).

<sup>20</sup> [Position of the Federal Council on greenwashing prevention in the financial sector](#) (not available in English).

### 3 Basic climate-related terms and contextual information

The following section explains basic terms and provides background information that is important in the context of requirements for climate-related claims (see also Section 3.1). Because climate impact claims are often based on carbon offsetting measures, the associated terms and requirements for their use from a fair trading perspective are discussed in detail in a separate chapter (Section 3.2).

#### 3.1 Climate-related terms and contextual information

**Climate impact:** Climate impact is mainly caused by GHG emissions, especially CO<sub>2</sub>. It is also recognised that climate impact can be caused in other ways, e.g. by nitrogen oxides, soot particles and oxidised sulphur compounds from air traffic in certain layers of the atmosphere (see also [Article 5 Climate Protection Ordinance \(CPO\)](#), *not available in English*).<sup>21</sup> The nationally and internationally agreed climate protection targets aim to limit the concentration of GHG in the atmosphere to a level that prevents dangerous climate change.<sup>22</sup>

**GHG emission reduction:** Since GHG emissions are generated primarily by the combustion of fossil fuels, GHG emission reductions are achieved in particular through the use of more efficient or alternative technologies and processes, as well as through changes in consumer behaviour. Not using fossil fuel deposits does not constitute an emission reduction.

**Switzerland's net-zero target:** Switzerland has enshrined in the Climate and Innovation Act (CIA) the target of reducing the impact of anthropogenic GHG emissions in Switzerland to zero by 2050 at the latest ([Article 3\(1\) Climate and Innovation Act \(CIA\)](#), *not available in English*). Net-zero emissions will be achieved by reducing GHG emissions to the greatest extent possible and by offsetting the effect of remaining emissions through the use of negative emission technologies (NET; [Article 2\(d\) Climate and Innovation Act \(CIA\)](#), *not available in English*). The target of net-zero emissions by 2050 at the latest also applies to companies ([Article 5\(1\) Climate and Innovation Act \(CIA\)](#), *not available in English*). At a minimum, companies must take into account direct and indirect emissions in this respect.

**Reduction pathway for GHG emissions:** In order to achieve the net-zero emission target by 2050 at the latest, companies can draw up a net-zero roadmap ([Article 5\(2\) Climate and Innovation Act \(CIA\)](#), *not available in English*, see below). According to the Climate Protection Ordinance (CPO), such a roadmap must provide for a reduction pathway for real economy companies at least for their direct and indirect GHG emissions in order to gradually reduce emissions ([Article 3\(1\)\(e\) Climate Protection Ordinance \(CPO\)](#), *not available in English*). As far as technically feasible, the reduction pathway must be linear until 2050 and based on the reference values for the building, transport and industrial sectors according to Article 4 Climate and Innovation Act (CIA).

**Hard-to-avoid emissions:** Hard-to-avoid GHG emissions occur in particular in industrial plants that cannot be reduced using conventional mitigation measures such as replacing fossil fuels. Hard-to-avoid emissions include process emissions in cement works and emissions from the incineration of fossil waste. Based on current knowledge, such emissions can be reduced by around 90 per cent by 2050 through *carbon capture and storage* (CCS). The remaining industrial greenhouse gas emissions cannot be avoided even with CCS. Furthermore, hard-to-avoid emissions are expected from waste treatment (e.g. from waste incineration plants, landfills, wastewater treatment plants, and methane slip from biogas plants), which can only be partially reduced with CCS, as well as from agriculture, air traffic and the use of synthetic gases. Hard-to-avoid emissions must be offset (in the target year) by negative emissions.<sup>23</sup>

**Negative emissions (carbon dioxide removal, CDR):** Negative emissions are achieved through biological and technical processes. CO<sub>2</sub> is removed from the atmosphere through human activity and permanently stored in forests, soils, wood products or other carbon sinks. The Climate and Innovation Act (CIA) defines the term of negative emissions.<sup>24</sup>

<sup>21</sup> Ordinance of 27 November 2024 to the Federal Act on Climate Protection Targets, Innovation and Strengthening Energy Security (Climate Protection Ordinance, CPO, SR 814.310.1).

<sup>22</sup> Article 1 Climate and Innovation Act (CIA) in conjunction with Article 2 Paris Agreement of 12 December 2015 (Climate Agreement, SR. 0.814.012).

<sup>23</sup> Cf. also [explanatory notes to the Climate Protection Ordinance of 27 November 2024 \(CPO\)](#), *not available in English*.

<sup>24</sup> Cf. [Article 2\(a\) Climate and Innovation Act \(CIA\)](#), *not available in English*.

The CO2 Act also refers to negative emissions when it mentions “increasing sink capacity” in connection with mandatory carbon offsetting measures.<sup>25</sup> In the international market, the English term “*carbon removal*” or “*removal*” is commonly used. This Enforcement Aid uses the term of negative emissions (for further terminology in this context, see Section 3.2.).

**Pathways for negative emissions:** In order to achieve the target of net-zero emissions by 2050 at the latest for companies, it is recommended that a gradual pathway for the application of negative emissions be provided for the offsetting of hard-to-avoid emissions ([Article 3\(1\)\(f\) Climate Protection Ordinance \(CPO\)](#), *not available in English*). Pathways are a mandatory component of roadmaps under Article 5 Climate and Innovation Act (CIA) if hard-to-avoid emissions remain.

**Hierarchy of measures:** According to Switzerland's definition of the net-zero target, GHG mitigation should primarily be achieved by reducing GHG emissions. Negative emissions should only be used to offset hard-to-avoid emissions and are therefore subsidiary.

**GHG emissions at company level**<sup>26</sup>: GHG emissions that can be attributed to a company are divided into direct, indirect, and upstream and downstream emissions (product-related emissions are part thereof). **A holistic view** always includes all categories:

- **Direct emissions:** GHG emissions caused by a company's operations, which arise in particular from the combustion of fossil fuels and from (manufacturing) processes cf. [Article 2\(b\) Climate and Innovation Act \(CIA\)](#), *not available in English*). This corresponds to the categorisation as **Scope 1** emissions (*direct GHG emissions* according to the *GHG Protocol*).<sup>27</sup>
- **Indirect emissions:** GHG emissions caused by the provision of purchased energy (see [Article 2\(c\) Climate and Innovation Act \(CIA\)](#), *not available in English*). This corresponds to the categorisation as **Scope 2** emissions (e.g. *electricity indirect GHG emissions* according to the *GHG Protocol* or district heating for buildings).
- **Upstream and downstream emissions:** GHG emissions caused by third parties during the entire life cycle of a product or service or in a company's value chain.<sup>28</sup> The determination of upstream and downstream emissions is based on the latest scientific findings, namely the *Standard Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*<sup>29</sup> of the *GHG Protocol*<sup>30</sup>, and corresponds to the categorisation as **Scope 3** emissions (*other indirect GHG emissions*) under the *GHG Protocol*. According to the *GHG Protocol*, there are 15 types of Scope 3 emissions, which, in the terminology of the *GHG Protocol*, are referred to as indirect emissions together with Scope 2 emissions.

**Emissions within the value chain:** Taken together, direct, indirect, and upstream and downstream emissions (Scope 1, 2 and 3) represent the emissions of a company's entire value chain. Emissions not covered by these categories lie outside a company's value chain.

**Offsetting:** If GHG emission reductions or negative emissions are claimed that occur outside a company's value chain (Scope 1-3) or outside a product's life cycle, this is referred to as offsetting.

**Net-zero roadmaps for companies:** The Climate and Innovation Act (CIA) stipulates that all companies must achieve net-zero emissions by 2050 at the latest, taking into account at least direct and indirect emissions ([Article 5\(1\) Climate and Innovation Act \(CIA\)](#), *not available in English*); considering upstream and downstream emissions is recommended. To achieve this target, companies and industries can draw up roadmaps ([Article 5\(2\) Climate and Innovation Act \(CIA\)](#), *not available in English*). Such a net-zero roadmap is mandatory for companies that submit an application for funding for innovative technologies and processes ([Article 6 Climate and Innovation Act \(CIA\)](#), *not available in English*).

<sup>25</sup> Article 2(h) or Article 6 CO2 Act.

<sup>26</sup> The description applies to companies in the real economy. For companies in the financial sector, the target of climate-friendly financial flows (Article 1(c) Climate and Innovation Act (CIA) means that the focus should be on the emissions caused by their main business activities.

<sup>27</sup> Cf. WBCSD/WRI, The Greenhouse Gas Protocol. A Corporate Accounting and Reporting Standard (revised version, 2004).

<sup>28</sup> Cf. Article 2(2) Climate Protection Ordinance (CPO).

<sup>29</sup> WBCSD/WRI, [Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard, 2011](#).

<sup>30</sup> Annex 1, Section 1 to Climate Protection Ordinance (CPO).

In addition, large Swiss public companies are required under [Article 964a Swiss Code of Obligations \(CO\)](#) to prepare an annual report on non-financial matters, including environmental issues and, in particular, information on greenhouse gas emissions. These reporting requirements are specified in the Ordinance on Climate Disclosures (hereinafter referred to as the Climate Disclosure Ordinance).<sup>31</sup> The Climate Disclosure Ordinance requires the companies concerned to publish a transition plan that is comparable with Switzerland's climate targets, i.e. a net-zero roadmap ([Article 3\(3\)\(a\) Climate Disclosure Ordinance, not available in English](#)). Section 4.2.3 explains the requirements for such net-zero roadmaps/transition plans for companies in the Swiss real economy and the financial sector in connection with climate-related claims.

**Product life cycle:** A holistic approach takes into account the entire life cycle of a product. The life cycle of a product (including services) covers the successive and interlinked phases of a product's lifetime. This includes the extraction or production of raw materials from natural resources, pre-treatment, manufacture, storage, distribution, installation, use, maintenance, repair, retrofitting, overhaul and reuse, as well as disposal of a product. This process also applies analogously to services.

**Product-related GHG emissions:** Product-related GHG emissions can be *measured using life cycle assessments (LCA)*. For example, the *GHG Protocol standard* entitled *Product Life Cycle Accounting and Reporting Standard* can be used for this purpose (see Section 4.2.1). Product-related GHG emissions are part of a company's emissions (Scope 1, 2, and 3).<sup>32</sup>

### 3.2 Terms and contextual information on carbon offsetting measures (emission reductions or negative emissions)

Climate impact claims are now often based on carbon offsetting measures, i.e. measures that have an effect outside a company's value chain. This chapter explains key terms in this context. Section 3.3 defines essential criteria for fair reference to carbon offsetting measures.

#### Offsetting through emission reduction or negative emissions

If emissions are reduced through carbon offsetting measures, these are referred to below as “offsetting through reduction”. If GHG are permanently removed from the atmosphere, these measures are referred to as “offsetting through negative emissions”.

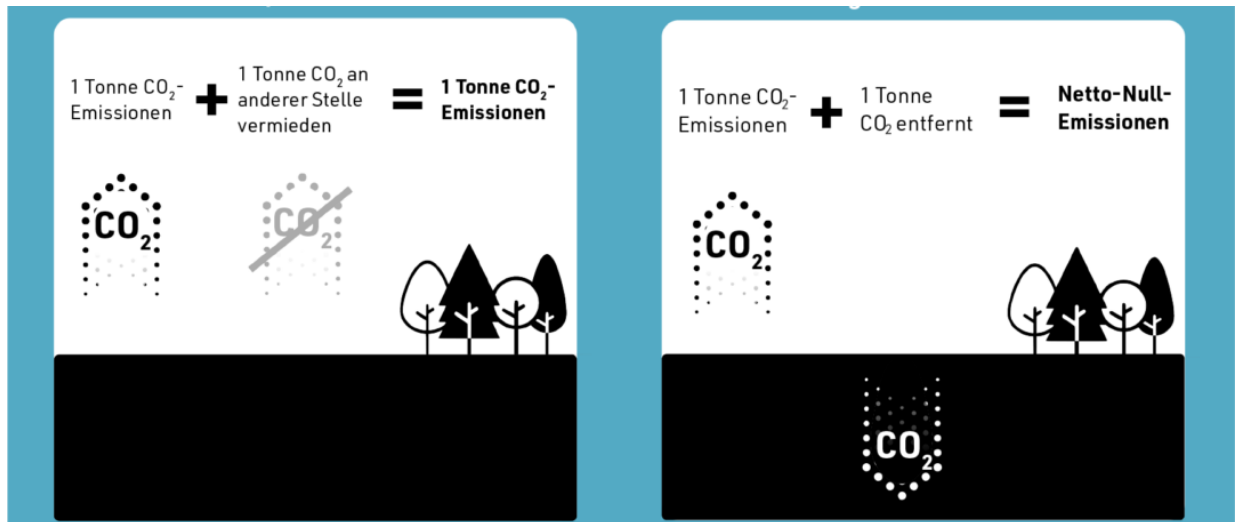
The differences between carbon offsetting measures as reduction and as negative emissions can be illustrated **in simplified terms from a global perspective** as follows. Examples of this are described in the box with frequently asked questions under Section 3.3:

<sup>31</sup> Ordinance of 23 November 2022 on Climate Disclosures (SR 221.434).

<sup>32</sup> Cf., for example, [explanatory notes to the Climate Protection Ordinance \(CPO\) of 27 November 2024](#), pp. 13–14 (*not available in English*); Greenhouse Gas Protocol, Product Life Cycle Accounting and Reporting Standard, p. 7.

**Emission reduction**

**Negative emissions**



With offsetting through reduction, emissions outside a company's value chain are reduced and these reductions are purchased as carbon certificates. Even if, from the company's accounting perspective, one tonne of CO<sub>2</sub> has been saved, such carbon offsetting measures only achieve GHG emission reductions from a global perspective, but not negative emissions or net zero.

Switzerland's climate target for 2030 (enshrined in the CO<sub>2</sub> Act) provides for offsetting through reduction in connection with the offsetting obligation for fuel importers, both in Switzerland and abroad.

With offsetting through negative emissions, CO<sub>2</sub> is permanently removed from the atmosphere outside a company's value chain. This removed amount can be purchased in the form of carbon certificates. In this way, net-zero emissions can be achieved.

Switzerland's climate target for 2050 (enshrined in the Climate and Innovation Act (CIA)) provides for negative emissions to offset hard-to-avoid emissions.

Image source: Swiss Carbon Removal Platform / [carbon-removal.ch](https://carbon-removal.ch)

In the past, reduction measures were primarily used for carbon offsetting measures. In the future, negative emissions will play a greater role under the Climate and Innovation Act (CIA) with a view to achieving the net-zero target. In order to assess the quality of carbon offsetting measures, evaluation criteria (see Section 3.3) must be applied to both types of measures. Such carbon offsetting measures can be represented and traded as carbon certificates.

**Carbon certificate:** A carbon certificate (also known as a *carbon credit* or, in the EU context, an emissions credit) is a transferable or tradable unit that represents one tonne of CO<sub>2</sub> equivalent emission reduction or negative emission. Today, carbon certificates mostly refer to emission reductions and hardly ever to negative emissions. Carbon certificates can be issued by private or public bodies and meet different quality standards.

**Voluntary and mandatory offsetting**

In Switzerland, a distinction must be made between voluntary and mandatory offsetting:

**Voluntary offsetting** refers to the voluntary purchase of carbon certificates, which are used as part of a climate protection measure not prescribed by the federal government. These may be carbon certificates based on private standards or carbon certificates issued by the federal government (known as attestations in Switzerland, see below) that are used for voluntary purposes.<sup>33</sup>

<sup>33</sup> Government-set standards at international level are carbon certificates from the multilateral Paris Agreement Crediting Mechanism (PACM) or from bilateral approaches under Article 6.2 Paris Agreement. For Swiss government carbon certificates, see "mandatory offsetting".

**Carbon certificates according to private standards:** Carbon certificates issued according to a private (= non-governmental) standard. There are various such standards with different quality requirements.<sup>34</sup>

**Voluntary Carbon Market (VCM):** The voluntary carbon market comprises trading in carbon certificates which are used for voluntary offsetting.<sup>35</sup> This market and the private standards for carbon certificates are not subject to any specific regulatory oversight in Switzerland.

**Mandatory offsetting** refers to measures under Switzerland's CO2 Act in connection with the obligation for fuel importers to offset CO2 emissions from fossil fuels.<sup>36</sup> In this context, carbon certificates by the federal government are issued, traded and surrendered as so-called national and international attestations.

**National attestations:** These are government-issued carbon certificates that can be traded in Switzerland (cf. also Section 4.2.2). They attest verifiable reductions in greenhouse gas emissions (reductions) or increases in sink capacity (negative emissions)<sup>37</sup> in Switzerland in accordance with the requirements laid down by law. National attestations under the CO2 Act meet the requirements set out in Section 2.3.

**International attestations:** This is a term that is commonly used in Switzerland but not internationally. These carbon certificates, which are only valid under Swiss law, attest verifiable reductions in greenhouse gas emissions (reductions) or increases in sink capacity (negative emissions) achieved abroad in accordance with the requirements laid down by law.<sup>38</sup> International attestations under the CO2 Act meet the requirements set out in Section 2.3. They represent international carbon certificates issued under bilateral treaties (cf. Article 6.2 Paris Agreement) or a multilateral mechanism that is yet to be operationalised (cf. Article 6.4 Paris Agreement), known as *Internationally Transferred Mitigation Outcomes (ITMOs)*.<sup>39</sup> Switzerland credits international attestations to its climate targets (obligation of fuel importers under the CO2 Act). However, companies can also purchase such international attestations on a voluntary basis.

<sup>34</sup> The best-known private standards are: Gold Standard and Verra. See also ["What is the role of carbon standards in the voluntary carbon market?"](#).

<sup>35</sup> Companies can also voluntarily purchase and retire national or international attestations, as traded under mandatory offsetting schemes.

<sup>36</sup> Article 28b et seqq. CO2 Act. See also national attestations (Article 2(d) CO2 Act), international attestations (Article 2(f) CO2 Act) and emission mitigation certificates (Article 2(e) CO2 Act).

<sup>37</sup> Cf. Article 2(d) CO2 Act.

<sup>38</sup> Cf. Article 2(f) CO2 Act.

<sup>39</sup> Cf. also the SFOE's [Net-Zero Roadmap](#) Guideline of 12 February 2025, version of 14 February 2025 (*not available in English*), based on Article 5 Climate and Innovation Act (CIA).

### 3.3 Excursus: Frequently asked questions

#### What are typical carbon offsetting measures for *emission reductions*?

Typical carbon offsetting projects in Switzerland's mandatory offsetting market include low-carbon heat production in heating networks and the use of renewable fuels. In other countries, sustainable agricultural practices for rice cultivation, more efficient cooking stoves and the operation of electric buses are examples of authorised offsetting projects. The FOEN publishes requirements for carbon off-setting projects (*reduction and negative emissions*) as well as registered projects in Switzerland and abroad.<sup>40</sup> Forestry and land projects (use and protection) are very common on the voluntary market.

#### What are typical carbon offsetting measures for *negative emissions*?

Negative emissions are generated by technical or nature-based approaches that permanently remove CO<sub>2</sub> from the atmosphere and store it permanently. These include, for example, reforestation, the use of bioenergy with carbon capture and storage, the application of biochar, and mechanical carbon air filtration and storage (*direct air capture*).<sup>41</sup> Carbon certificates for negative emissions are currently only available to a limited extent on the mandatory and voluntary markets.

#### Are CCS and CCU also *negative emission technologies*?

According to the Intergovernmental Panel on Climate Change (*IPCC*), carbon capture and storage (*CCS*) and carbon capture and use (*CCU*) are not considered negative emission technologies when applied to fossil or process-related CO<sub>2</sub>. In these cases, they are considered to be reductions. **CCS and CCU can only generate negative emissions if the CO<sub>2</sub> is biogenic** or is captured directly from the ambient air and permanently stored in geological repositories or products.<sup>42</sup>

#### How should forestry projects from the voluntary market be classified?

In 2022, forestry and land use and conservation projects accounted for just under half of the total trading volume on the voluntary market. The trading volume for forest climate projects quadrupled between 2020 and 2021, reaching a trading value of over USD 1.3 billion.<sup>43</sup> Recently, there has been particular controversy over whether forest **conservation** projects can deliver the promised climate effect. Such projects often do not involve reforestation, but rather the conservation of existing forests. As a matter of principle, the FOEN does not issue international attestations for projects involving biological carbon storage (also known as carbon sequestration) or the reduction of deforestation or forest degradation abroad.<sup>44</sup> However, given the importance of these issues in the climate context, Switzerland supports such initiatives through other channels, such as the REDD+ programme, in which Switzerland participates financially.

#### When is permanence fulfilled?

High-quality carbon offsetting projects (*reduction and negative emissions*) must guarantee permanent emission reductions or sink performance/*negative emissions*. In general, technical solutions have greater permanence than conventional nature-based approaches.<sup>45</sup> For example, forest and moorland conservation projects are subject to risks such as forest fires, pest infestation and illegal logging. The following applies to Swiss national and international attestations<sup>46</sup>: if the sink effect is reversed so that the carbon sink becomes a source of emissions, the attestations concerned are marked accordingly in the register and are no longer recognised to fulfil the carbon offsetting obligation.

<sup>40</sup> [Carbon offsetting: projects and programmes, communication from the FOEN as the enforcement authority, May 2025 \(link expired\)](#).

<sup>41</sup> A [report by the Federal Council on negative emissions](#) from September 2020 provides a systematic overview of the approaches currently known.

<sup>42</sup> A graphical overview of this is provided in the SFOE's [Net-Zero Roadmap](#) Guideline, p. 23 (*not available in English*).

<sup>43</sup> [Conditions for measures for biological sequestration through forest projects abroad for the offsetting of greenhouse gas emissions, 2022 \(not available in English\)](#).

<sup>44</sup> [Appendix L: Permitted and excluded project and programme types, version 1.1 \(not available in English\)](#).

<sup>45</sup> [The State of Carbon Dioxide Removal 2024 – 2nd Edition, DOI 10.17605/OSF.IO/F85QJ \(2024\)](#).

<sup>46</sup> [Issue 20 "Offsetting CO<sub>2</sub> emissions in Switzerland" newsletter, 28 August 2024](#).

This can happen, for example, in the event of a fire in a managed forest. If the carbon offsetting obligation was fulfilled in the past by means of attestations from sink projects, it may turn out later that these are not permanent. Then the carbon offsetting obligation from the past must be re-fulfilled. The attestations issued in the past will therefore become invalid retroactively.

**How does the FOEN assess private standards?<sup>47</sup>**

The voluntary market is a free market and not subject to any specific regulatory oversight in Switzerland. The international voluntary market for carbon certificates has been in existence for almost twenty years. This market is characterised by a large number of private providers (including some Swiss companies) and certification standards. It is often not certain that private standards ensure compliance with all the necessary quality criteria in terms of additionality, reduction or sink capacity, permanence and no double counting for all project types.

With its efficiency and innovative strength, the voluntary market can make an important contribution to achieving the net-zero target. However, this is only possible if carbon certificates and labels deliver what they promise.

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<sup>47</sup> [Regulation of the voluntary carbon market, FOEN report to the UREK-S, 9 March 2023](#) (not available in English).

## 4 Requirements, standards and further guidance for the verification of climate-related claims

For objectifying and verifying climate-related claims a wide range of standards and methods is available. They differ in particular in terms of their **legal nature** (public or private) and the **subject matter** to which they apply (e.g. GHG accounting with sector-specific recommendations, standards for carbon offsetting certificates, net-zero transition plans/roadmaps for companies).

After a description of the general requirements (Section 4.1), an overview of the methods and standards referenced in Swiss regulations follows (Section 4.2). Section 4.3 lists additional voluntary standards and commonly used principles as guidance, without claiming to be exhaustive. Private standards in particular are subject to frequent changes. Companies may also use equivalent or new standards, provided they meet the general requirements. The FOEN continuously monitors developments in this dynamic area.

### 4.1 General requirements for the verification of climate-related claims

The choice of suitable standards and methods is the responsibility of the companies. A climate-related claim is in particular substantiated by objective and verifiable criteria if the following requirements are met.

- **Objectivity:** Verification is based on up-to-date and recognised standards and methods and particularly takes into account legally referenced standards and methods, where available, so that the claim can be considered true. The following criteria are considered in particular when making an assessment: transparency and scientific quality of the methodology; good governance, in particular with regard to the avoidance of conflicts of interest, for example through verification of the (private) standards by an independent organisation; compliance with government regulations (national/international); and practical applicability in the market.
- **Appropriate methodology:** The assumptions, reference periods, standards and methods on which a climate-related claim is based must be selected in a way that they are appropriate to the product or company in question and that the claim derived from them is up-to-date and not misleading. In particular, for comparative claims, it must be ensured that they are not only formally comparable (see Annex 1), but are also based on equivalent data, methods and assumptions.
- **Forward-looking claims:** The fundamentals underpinning claims about reduced climate impact in the future (e.g. “net zero by 2030”) demonstrate the realistic implementation of the planned measures (in the case of company-related claims, e.g. by means of a transition or net-zero roadmap, see Section 4.2.3) and ensure objective verifiability (e.g. by means of annual progress reports).
- **Comprehensibility:** The basis on which a climate-related claim is made – including any standards used, the method(s) employed, and the underlying assumptions and reference periods – must be available. In the event of a dispute, the communicating company must be able to prove the accuracy of the claim on the basis of objective and verifiable criteria. This means that although such company is not obliged to have a climate-related claim independently verified by a third party in advance, it does bear the risk that the claim is unfair if it is not accompanied by appropriate evidence of its accuracy. The requirement for clarity (prohibition of misleading advertising) also stipulates that the information essential for understanding a claim must already be disclosed with the claim. When a claim is published, this information must be easy to find and provided in close proximity to the claim itself, while ensuring that any confidential information is protected. Further information can also be made available via a web link or QR code. High transparency and comprehensibility requirements exist in particular with regard to the calculation of climate impact, the type of climate impact reductions that have been made or are planned, and any carbon offsetting measures that may have been included.

## 4.2 Standards and methods referenced in Swiss legislation

### 4.2.1 GHG accounting and other metrics

**For companies in the real economy:** The *GHG Protocol* is referenced in the explanatory notes to the Climate Protection Ordinance (CPO) on the calculation of greenhouse gas emissions by companies in the real economy.<sup>48</sup> The *GHG Protocol* consists of various methodological recommendations and is an established and widely accepted standard for accounting for company- and product-related GHG emissions.<sup>49</sup> The *GHG Protocol* methodology has largely become the standard and is already used by numerous companies. In addition, many other standards, particularly those relating to climate reporting and target setting, refer to accounting according to the *GHG Protocol*. The *GHG Protocol* standards are regularly revised.<sup>50</sup> Moreover, a new, supplementary standard is currently being developed.<sup>51</sup>

Swiss law references several *GHG Protocol standards*. For the categorisation of upstream and downstream emissions, the Climate Protection Ordinance (CPO) refers to the *Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*<sup>52</sup> and additionally to the associated *Scope 3 Calculation Guidance (2013)*<sup>52</sup>. The Swiss Federal Office of Energy's (SFOE) Net-Zero Roadmap Guideline also refers to the *Corporate Accounting and Reporting Standard (2004)*<sup>54</sup> and the *Scope 2 Guidance (2015)*<sup>55</sup>.

**For products:** The *GHG Protocol standard* entitled *Product Life Cycle Accounting and Reporting Standard (2011)*<sup>56</sup> is particularly relevant for accounting for product-related GHG emissions, including service-related emissions.

**For buildings (including real estate and mortgage portfolios):** The Intercantonal Conference of Cantonal Energy Directors (EnDK) publishes energy policy guidelines for buildings. The model cantonal regulations in the energy sector (MuKE n) set out the model regulations under energy law in the building sector.<sup>57</sup> The Cantonal Building Energy Certificate (GEAK) is the assessment and advisory tool for building renovation concepts.<sup>58</sup> Information on net-zero buildings can be found at Minergie<sup>59</sup>, the Swiss building standard for new and modernised buildings. The FOEN also provides a carbon calculator for standardised calculation of emissions for entire real estate and mortgage portfolios.<sup>60</sup> It is based on the relevant SIA standards and calculates standard emissions for Scope 1 (heating and hot water), Scope 2 (electricity consumption and district heating) and can provide initial estimates for Scope 3 (building materials). The relevant emission factors are based on the Swiss greenhouse gas inventory. As part of the voluntary climate test for the Swiss financial market<sup>61</sup>, the Swiss reduction pathway for the building sector (converted into CO<sub>2</sub> equivalent per energy reference area per year) is also used as a benchmark and target value.

**For financial institutions and products:** The Climate and Innovation Act (CIA) stipulates that financial flows should be climate friendly ([Article 1\(c\) Climate and Innovation Act \(CIA\)](#), *not available in English*). Investments, financing and insurances are climate friendly if they are consistent with the net-zero greenhouse gas emission target by 2050. According to [Article 5\(1\) Climate and Innovation Act \(CIA\)](#) (*not available in English*), all companies must achieve net-zero emissions by 2050 at the latest. In addition, the Swiss financial market should make an effective climate target contribution ([Article 9 Climate and Innovation Act \(CIA\)](#), *not available in English*). It is therefore essential for companies in the financial sector that all relevant business activities (such as investments, financing and insurances) are included.

<sup>48</sup> Cf. [Explanatory Notes to the Climate Protection Ordinance \(CPO\) of 27 November 2024](#), pp. 13–14; SFOE (*not available in English*), the SFOE's [Net-Zero Roadmap Guideline](#), p. 12 (*not available in English*).

<sup>49</sup> Cf. in particular [GHGP, A Corporate Accounting and Reporting Standard \(revised edition\)](#).

<sup>50</sup> Cf. <https://ghgprotocol.org/ghg-protocol-corporate-suite-standards-and-guidance-update-process>.

<sup>51</sup> [Accounting and reporting for impacts of actions and market instruments on corporate GHG reporting](#), 2024.

<sup>52</sup> Cf. Annex 1, Section 1 to the Climate Protection Ordinance (CPO) and [Corporate Value Chain \(Scope 3\) Accounting and Reporting Standard, GHGP, 2011](#). This GHG Protocol standard is currently being revised.

<sup>53</sup> Cf. Annex 1, Section 1 to the Climate Protection Ordinance (CPO); [Technical Guidance for Calculating Scope 3 Emissions, version 1.0, GHGP](#). This GHG Protocol guidance is currently being revised.

<sup>54</sup> [GHGP revised, 2004](#). This standard is currently being revised.

<sup>55</sup> [GHG Protocol Scope 2 Guidance, 2015](#). This guidance is currently being revised.

<sup>56</sup> [Product Life Cycle Accounting and Reporting Standard, GHGP, 2015](#).

<sup>57</sup> [Model Regulations of the Cantons in the Energy Sector \(MuKE n\), 2025 edition](#) (*not available in English*).

<sup>58</sup> [Cantonal Building Energy Certificate \(GEAK\)](#) (*not available in English*).

<sup>59</sup> [Net Zero – Minergie](#) (*not available in English*), supported by the cantons, the federal government and the Swiss economy.

<sup>60</sup> Cf. also <https://www.bafu.admin.ch/en/calculator-co2-buildings>.

<sup>61</sup> More information can be found at <https://www.bafu.admin.ch/en/pacta-climate-test> and <https://www.bafu.admin.ch/en/calculator-co2-buildings>. The reduction pathway converted into CO<sub>2</sub> equivalent/energy reference area is presented in the Annex to the 2024 Climate Test Report: [PACTA Climate Test Switzerland 2024: "WALKING THE WALK?". 2024](#). The carbon calculator can be obtained in unlicensed form from the FOEN as an R script: [climate@bafu.admin.ch](mailto:climate@bafu.admin.ch).

The federal government regularly conducts climate tests to assess how climate friendly the Swiss financial market is investing and to what extent the efforts of financial institutions are having an impact ([Article 30 Climate Protection Ordinance \(CPO\)](#), *not available in English*). The climate test must be based on an internationally recognised, science- and scenario-based method that is available on the market in unlicensed form. The method must also provide specific quantitative and qualitative results for the various asset classes and, within the asset classes, for various economic sectors that are particularly relevant to the climate ([Article 30\(3\) Climate Protection Ordinance \(CPO\)](#), *not available in English*, and explanatory notes to the CPO).

Because the companies held in the portfolios come from different economic sectors and play different roles in the transition of the global economy to net-zero emissions, different strategies are needed for companies in the financial sector to support the transition. Suitable metrics are therefore needed, both for reducing and substituting climate-damaging technologies and for supporting alternative, climate-friendly technologies.<sup>62</sup> Investment decisions are also, by definition, forward-looking. Forward-looking indicators such as companies' production and capacity data must therefore also be taken into account. Carbon accounting pursuant to the GHG Protocol is therefore insufficient for the analysis of companies in the financial sector and for financial portfolios. For financial products involving shares and corporate bonds, the Federal Council recommends using and publishing the *Swiss Climate Scores*<sup>63</sup>, a data set with several climate-related metrics.

#### 4.2.2 Carbon offsetting measures attested by the federal government

The FOEN issues tradable carbon certificates in the form of national and international attestations for verifiable emission reductions and negative emission.<sup>64</sup> Such carbon certificates are used by fuel importers who are required to offset their emissions, but can also be purchased by companies for voluntary offsetting, for example for aviation emissions. The requirements for carbon offsetting projects and programmes meet all the principles set out in Section 2.3.

It is essential to prove that emission reductions and negative emissions are additional and would not have occurred without the respective project or programme, and that their effect is not overestimated (Section 3.3). Carbon offsetting projects and programmes abroad must also promote sustainable development in the host country, environmental integrity and transparency must be guaranteed, and the reduction or negative emission performance must not already be claimed by another country (no double counting, Section 3.3).

The specific requirements are defined in [Articles 5 to 11 CO2 Ordinance](#). For the transfer of foreign emission mitigations (Internationally Transferred Mitigation Outcomes, ITMOs), Article 6 Paris Agreement provides for two options. Countries can jointly determine the modalities through bilateral [agreements](#) (Article 6.2). Furthermore, a multilateral mechanism under the supervision of the Paris Agreement (Article 6.4) is being developed which will issue certificates for emission mitigations.<sup>65</sup>

Unlike most private standards, projects attested by the federal government are always specifically reviewed. With a few exceptions, the federal government does not approve any general methodology that can then be applied to all projects that meet the requirements. The federal government reviews each project using the appropriate methodology, project-specific framework conditions and technologies.

Projects and programmes are **permitted** in categories including energy efficiency (supply and demand side), renewable energies, mobility management, wood products, high-standard biogenic fuels, and biological and geological carbon storage. Projects that reduce methane, nitrous oxide or fluorinated gases are also possible. Furthermore, programmes with multiple purposes can be implemented.

<sup>62</sup> Cf. also [the Federal Council's report in response to postulate 19.3966 of the Environment, Spatial Planning and Energy Committee ESPEC-S, 2019](#) (*not available in English*).

<sup>63</sup> [Swiss Climate Scores](#).

<sup>64</sup> [Carbon offsetting](#).

<sup>65</sup> [Paris Agreement Crediting Mechanism | UNFCCC](#).

Categories in which projects and programmes are **excluded**<sup>66</sup> are listed in Annex L to the notice on “Offsetting of carbon emissions: projects and programmes”.<sup>67</sup> In addition, **no attestations** will be issued for certain **projects or programmes abroad**.<sup>68</sup>

Requirements and implementation steps are further specified in the FOEN's enforcement notice<sup>69</sup>. All projects and their documentation are published on the FOEN website: [List of registered carbon offsetting projects](#) and [Registered carbon offsetting projects abroad](#).

#### 4.2.3 Requirements for net-zero transition plans/roadmaps

Climate-related claims may include a net-zero target in combination with a corresponding transition plan or roadmap. For certain companies, the creation of such a roadmap is mandatory; the relevant requirements are set out in the Climate Disclosure Ordinance<sup>70</sup> or in [Article 5 Climate and Innovation Act \(CIA\)](#) (*not available in English*) and the associated implementing provisions (see below). These requirements must be used to assess whether a roadmap communicated as part of a climate-related claim meets the fairness criteria of truth and clarity, regardless of whether the company in question is legally obliged to create and publish such a roadmap or does so on its own initiative. The most important requirements, information and references for the preparation of net-zero roadmaps are summarised below.

**Ordinance on Climate Disclosures (Climate Disclosure Ordinance):** Large public companies subject to reporting requirements under Article 964a Swiss Code of Obligations (CO) have been required to publish a report on various climate issues since 1 January 2024 (for the first time in 2025 for the 2024 financial year). This report should include, in particular, information on financial climate risks and a transition plan that is comparable to the Swiss climate targets ([Article 3\(3\)\(a\) Climate Disclosure Ordinance](#), *not available in English*). Where possible and appropriate, quantitative information as well as the key assumptions and methods and standards used should be disclosed ([Article 3\(3\)\(b\) Climate Disclosure Ordinance](#), *not available in English*). As the Swiss climate targets are set out in the Climate and Innovation Act (CIA), the requirements for such a transition plan for **real economy companies** correspond to **the requirements for a net-zero roadmap under the Climate and Innovation Act (CIA)** (see below). According to the Federal Council's proposal, principle-based minimum requirements for transition plans for financial institutions and institutional investors should be added directly to the Climate Disclosure Ordinance.<sup>71</sup>

**Climate and Innovation Act (CIA) and Climate Protection Ordinance (CPO):** According to the CIA, all companies must achieve net-zero emissions by 2050 at the latest ([Article 5\(1\) CIA](#), *not available in English*). To this end, they can draw up net-zero roadmaps ([Article 5\(2\) CIA](#), *not available in English*). Such roadmaps must at least take into account direct and indirect emissions (Scope 1 and 2) and, where possible, should also consider relevant Scope 3 emissions. The CPO sets out the minimum requirements for net-zero roadmaps for companies in the real economy.<sup>72</sup> These minimum requirements are mandatory for all companies that wish to receive federal financial assistance for measures to apply novel technologies and processes under [Article 6 CIA](#) (*not available in English*). They also apply to all companies in the real economy that are required to publish a transition plan according to the **Climate Disclosure Ordinance** (see above) (on a “comply or explain” basis). The respective requirements are specified in the SFOE's Net-Zero Roadmap Guideline (see below). For minimum requirements for net-zero roadmaps for companies in the financial sector, the CPO refers to the Climate Disclosure Ordinance (see below for details).

The SFOE's **Net-Zero Roadmap Guideline**<sup>73</sup> further specifies the **minimum requirements for companies in the real economy**. The following aspects in the SFOE's guideline are relevant in connection with this Enforcement Aid:

<sup>66</sup> The complete list of project types for which no attestations are issued can be found in [Annex 3](#) to the Ordinance of 30 November 2012 on the Reduction of CO<sub>2</sub> Emissions (CO<sub>2</sub> Ordinance, SR 641.711).

<sup>67</sup> [Annex L: Permitted and excluded project and programme types, version 1.1](#) (*link does not work*).

<sup>68</sup> CO<sub>2</sub> Ordinance.

<sup>69</sup> [Offsetting of CO<sub>2</sub> emissions: projects and programmes](#) (*link does not work*).

<sup>70</sup> Ordinance of 23 November 2022 on Climate Disclosures (SR 221.434).

<sup>71</sup> Cf. <https://www.news.admin.ch/de/nsb?id=99780> (*not available in English*). The revised Climate Disclosure Ordinance shall also refer to the standards of the International Sustainability Standards Board (ISSB) and the European Sustainability Reporting Standards (ESRS) instead of the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), as these have been incorporated into the aforementioned standards.

<sup>72</sup> Cf. Article 5(2) CIA in conjunction with Articles 5-7 CPO.

<sup>73</sup> The SFOE's [Net-Zero Roadmap Guideline](#) of 12 February 2025, version of 14 February 2025, p. 11 et seqq. (*not available in English*).

- **Accounting for GHG emissions:** First, a GHG balance sheet is prepared in accordance with the guidelines in the *GHG Protocol Corporate Accounting and Reporting Standard* handbook<sup>74</sup>.
- **Emission reduction pathway:** The GHG emission reduction pathway must be defined as linearly as technically feasible. It may only refer to measures within a company. Carbon offsetting measures for emission reduction cannot be credited to the reduction pathway.
- **Pathway to negative emissions:** In order to offset any direct and indirect hard-to-avoid emissions by 2050 at the latest, roadmaps must include a pathway to negative emissions ([Article 3 CPO](#), *not available in English*, cf. also Section 3.1). It is also recommended that hard-to-avoid emissions from upstream and downstream processes (Scope 3) be offset with negative emissions. Negative emissions can be generated within a company and/or procured in the form of national and international attestations according to the CO2 Act<sup>75</sup>. Carbon certificates according to private standards (VCM) for negative emissions, on the other hand, cannot be credited to the pathway. If a company resells self-generated negative emissions to third parties, it may no longer credit the effect of this measure to its pathway (avoidance of double counting).
- **Action plan:** A realistic action plan is drawn up on the basis of the analysis of net-zero solutions.
- **Additional carbon offsetting measures:** Companies can obtain national and international attestations or carbon certificates from the voluntary market for both reductions and negative emissions **in addition** to the reduction pathway and mention this in their roadmap (for Scope 1, 2 and 3), e.g. if a company wants to support climate protection projects in Switzerland or abroad in addition to its own reduction efforts. The principles set out in Section 2.3 must be observed in this respect.
- **Use of renewable electricity, fuels and propellants:** If renewable electricity and/or renewable liquid or gaseous fuels and propellants are used in a company and listed in the net-zero roadmap, corresponding certificates of origin (COO)<sup>76</sup> are required. Certificates of origin are allocated in the relevant national databases for electricity and for fuels and propellants (COO systems) and are devalued when credited. Depending on the situation, further documentation may be required.
- **Decarbonisation plans for operators who are required to mitigate emissions to be exempt from the CO2 levy:** With the revision of the CO2 Act from 2025, such companies must draw up a decarbonisation plan in addition to the target agreement ([Article 31a CO2 Act](#)). Such decarbonisation plan contains a reduction pathway until 2040 for direct emissions from the use of fossil fuels for energy. A target for 2050 and targets for other emissions may be set on a voluntary basis. Provided that the requirements described in the specific enforcement aid<sup>77</sup> are met, a roadmap pursuant to Article 5 CIA may also be used as a decarbonisation plan.
- For **companies in the financial sector**, the Federal Council proposes principle-based minimum requirements for transition plans (new: roadmaps, in line with the terminology used in the Climate and Innovation Act (CIA)), which are to be laid down in the revised Climate Disclosure Ordinance.<sup>78</sup> The majority of respondents to the consultation welcomed the content of the Climate Disclosure Ordinance revision. However, as changes to the scope of general sustainability reporting (regulated in the Swiss Code of Obligations) are to be presented by spring 2026 at the latest, the Federal Council decided on 25 June 2025 to pause the revision.<sup>79</sup>

<sup>74</sup> Cf. [The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, Revised Edition, March 2004](#).

<sup>75</sup> Attestations for negative emissions (increase in sink capacity) are permitted only.

<sup>76</sup> More information on certificates of origin: [Certificates of origin and electricity labelling](#).

<sup>77</sup> [Obligation to mitigate emissions \(exemption from CO2 levy\) 2025-2040, Communication from the FOEN as the enforcement authority to applicants, A module of the communication from the FOEN as the enforcement authority on the CO2 Ordinance, 5th updated version, May 2025](#); see [Climate: Enforcement aids \(not available in English\)](#).

<sup>78</sup> [Consultation draft of the Ordinance of 6 December 2024 on Climate Disclosures](#), cf. Article 3(3)(b)(1).

<sup>79</sup> [Federal Council press release of 25 June 2025: Federal Council decides on next steps with regard to companies' climate disclosures](#).

### 4.3 Private standards and voluntary principles

The following list provides an overview of other commonly used private standards, voluntary principles and methods (without claiming to be exhaustive). Depending on the topic, these can serve as further guidance. Whether they are suitable as objective and verifiable criteria for climate-related claims must be decided on a case-by-case basis, taking into account the claim in question and the relevant context. As they are not referenced in Swiss legislation, this Enforcement Aid does not comment on their suitability for objectifying and verifying climate-related claims.

#### 4.3.1 GHG accounting

- EU Product Environmental Footprint Category Rules (PEFCR) / Organisation Environmental Footprint Sectorial Rules (OEFSR)<sup>80</sup>
- ISO 14040:2006: Environmental management — Life cycle assessment — Principles and framework
- ISO 14064-1:2018: Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
- ISO 14067:2018: Greenhouse gases — Carbon footprint of products — Requirements and guidelines for quantification

#### 4.3.2 Voluntary principles and guidelines on the quality of carbon certificates according to private standards

- The EU's [Carbon Removals and Carbon Farming \(CRCF\) Regulation](#) establishes the first EU-wide voluntary framework for the certification of carbon removals, carbon farming and carbon storage in products across Europe. It sets out EU quality criteria as well as monitoring and reporting processes.<sup>81</sup>
- Voluntary Carbon Markets Integrity Initiative (VCMI), Claims Code of Practice (Version 2.1, August 2024)<sup>82</sup> and Claims Code – Supplementary Guidance (November 2023)<sup>83</sup>
- Integrity Council for the Voluntary Carbon Market (ICVCM), Core Carbon Principles, Assessment Framework and Assessment Procedure (Version 2, January 2024)<sup>84</sup>
- Gold Standard Claims Guidelines (Version 2.0, June 2022)<sup>85</sup> and Fairly Contributing to Global Net Zero - Claims Guidance for Organisational Strategies (Version 2.0, June 2024)<sup>86</sup>
- USA: Voluntary Carbon Markets Joint Policy statement and principles, May 2024<sup>87</sup>
- France: Coalition for Paris-aligned and high integrity use of carbon credits, April 2025<sup>88</sup>
- United Kingdom: UK government principles on voluntary carbon and nature market integrity, November 2024<sup>89</sup>

#### 4.3.3 Transition plans/roadmaps and GHG reduction targets

- Science Based Target initiative (SBTi): in particular Corporate Net Zero Standard (Version 1.2, March 2024, currently under revision)<sup>90</sup> and Corporate Near-Term Criteria (Version 5.2, April 2024).

<sup>80</sup> Commission Recommendation (EU) 2021/2279 of 15 December 2021 on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organisations.

<sup>81</sup> [Regulation \(EU\) 2024/3012 of the European Parliament and of the Council of 27 November 2024 establishing a Union certification framework for permanent carbon removals, carbon farming and carbon storage in products.](#)

<sup>82</sup> [Claims Code of Practice, Building integrity in voluntary carbon markets, VCMI, 2024.](#)

<sup>83</sup> [Claims Code – Supplementary Guidance, VCMI 2023.](#)

<sup>84</sup> [Core Carbon Principles, Assessment framework and Assessment procedure, IC, 2024.](#)

<sup>85</sup> [Claims Guidelines, Gold Standard, 2022.](#)

<sup>86</sup> [Fairly contributing to global Net Zero – Claims Guidance for Organisational Strategies, Gold Standard, 2024.](#)

<sup>87</sup> [Voluntary Carbon Markets Joint Policy Statement and Principles, FACT SHEET: Biden-Harris Administration Announces New Principles for High-Integrity Voluntary Carbon Markets | The White House, May 2024.](#)

<sup>88</sup> [ChangeNOW 2025, Coalition for Paris-aligned and high integrity use of carbon credits \(not available in English\), Annex to the pledge, Change NOW 2025.](#)

<sup>89</sup> [Voluntary carbon and nature market integrity: UK government principles – GOV.UK.](#)

<sup>90</sup> [Corporate Net-Zero Standard criteria, SBTi, 2025.](#)

Currently, the principle of subsidiarity is followed in the SBTi target setting. However, it is unclear whether this will still be the case in the future version of the standard. The question of the extent to which SBTi will allow carbon offsetting measures is part of the current revision.<sup>92</sup> For industries with high emissions (including financial services companies), the sector-specific requirements must also be considered.<sup>93</sup>

- ISO IWA 42:2022: Net Zero Guidelines (an ISO standard on net zero is currently being developed as a follow-up to this and is scheduled for release in 2026)
- Race to Net Zero Criteria<sup>94</sup>
- Gold Standard, Fairly Contributing to Global Net Zero – Framework for organisational climate mitigation strategies (Version 2.0, Juni 2024)<sup>95</sup>

#### 4.3.4 Self-regulatory measures and recommendations for financial products

The prevention of deception under the Unfair Competition Act also applies to financial products and services. According to the Federal Council's position on greenwashing prevention in the financial sector<sup>96</sup>, the objective of a sustainable financial product should also be clearly communicated. The mere consideration of ESG risks falls under fiduciary duties of care – such financial products should not be labelled as “sustainable” (see also Section 2.4). Furthermore, in its [Guidance 05/2021](#)<sup>97</sup> on preventing and combating greenwashing, the Swiss Financial Market Supervisory Authority FINMA sets out its expectations and current practice. In its Circular 2026/1 on “Nature-related financial risks”<sup>98</sup>, FINMA also specifies its supervisory practice with regard to the management of climate- and other nature-related financial risks.

In addition, various voluntary self-regulatory measures and transparency recommendations were introduced. On 19 June 2024, the Federal Council took note of the voluntary self-regulatory measures introduced by the Swiss Bankers Association (SBA)<sup>99</sup>, the Asset Management Association Switzerland (AMAS)<sup>100</sup> and the Swiss Insurance Association (SIA)<sup>101, 102</sup>

According to the Federal Council, these self-regulatory measures implement various aspects of its position. However, open questions remain with regard to compliance with self-regulatory measures through the application of EU law, the permissible reference framework for sustainability targets and, in particular, enforceability for customers and the Swiss Financial Market Supervisory Authority FINMA. The need for regulatory action should therefore be re-evaluated by the end of 2027 at the latest, also in view of developments in the EU.

Below is an overview of these and other voluntary self-regulatory measures and recommendations for financial products and services by business activity or asset class (without claiming to be exhaustive):

- **Investment advice:** The Swiss Bankers Association's (SBA) voluntary self-regulation framework<sup>103</sup> sets out guidelines for the industry on considering ESG preferences when advising clients and offering products.
- **Financial products, in particular featuring shares and corporate bonds:**

<sup>91</sup> Cf. also: [How SBTi works – Science Based Targets Initiative](#) (not available in English).

<sup>92</sup> [Corporate net-zero Standard V2.0 Terms of Reference, SBTi, 2025.](#)

<sup>93</sup> [SBTi, Standards and Guidance.](#)

<sup>94</sup> [Race to Zero Criteria 3.0, UNFCCC, 2022.](#)

<sup>95</sup> [Fairly contributing to global net zero, Gold Standard, 2024.](#)

<sup>96</sup> [Federal Council's position on preventing greenwashing in the financial sector, 16 December 2022](#) (not available in English).

<sup>97</sup> [FINMA Guidance 05/2021, Preventing and combating greenwashing, 3 November 2021](#) (not available in English).

<sup>98</sup> [FINMA Circular 2026/1, Nature-related financial risks, Management of climate- and other nature-related financial risks, dated 12 December 2024.](#)

<sup>99</sup> [SBA Self-regulation on sustainable finance.](#)

<sup>100</sup> [AMAS Sustainable Finance Self-regulation, 2025.](#)

<sup>101</sup> [SIA Greenwashing self-regulation, 2025.](#)

<sup>102</sup> [Press release dated 19 April 2024, Federal Council notes financial sector's progress in preventing greenwashing.](#)

<sup>103</sup> [SBA Guidelines on the inclusion of ESG preferences and ESG risks in investment advice and asset management, 2024](#) (not available in English).

- Recommendation by the Federal Council on the use of the updated Swiss Climate Scores SCS from 2025<sup>104</sup>, in particular with questions of which climate target is being pursued with a financial product (climate compatibility, climate impact, neither) and a set of indicators;
- Voluntary self-regulation framework for financial products with a sustainability focus for asset managers (AMAS)<sup>105</sup> and for structured products (SSPA)<sup>106</sup> (no requirements for quantitative, climate-related indicators);
- Recommendations on the voluntary publication of qualitative information and quantitative, climate-related indicators for pension funds (ASIP)<sup>107</sup>.
- Recommendations for stewardship activities in all sectors (AMAS and SSF Swiss Stewardship Code)<sup>108</sup>;
- **Unit-linked life insurance policies with a sustainability focus:** voluntary self-regulation framework (SIA)<sup>109</sup> (no requirements for quantitative, climate-related indicators);
- **Mortgages:** voluntary self-regulation framework for banks (SBA)<sup>110</sup>, in particular with the requirement for the industry to also discuss long-term value retention and thus energy efficiency when providing mortgage advice;
- **Real estate:** recommendations on the publication of quantitative, energy- and climate-related indicators for real estate fund providers (AMAS)<sup>111</sup> and real estate investment groups (KGAST)<sup>112</sup> as well as for pension funds (Swiss Pension Fund Association, ASIP)<sup>108</sup>.

#### 4.3.5 Private sector labels

- The web portal [www.labelinfo.ch](http://www.labelinfo.ch) (not available in English), developed with the support of the FOEN, provides an overview of the most relevant labels available on the Swiss market. The environmental friendliness of labels can also be displayed.
- The Ecolabel Index lists labels commonly used in Switzerland that relate to climate and the environment: [All ecolabels in Switzerland | Ecolabel Index](#)
- Voluntary ecolabelling in the [Agreement on Climate Change, Trade and Sustainability \(ACCTS\)](#) between Switzerland and Costa Rica, Iceland and New Zealand
- EU Directive on Empowering Consumers for the Green Transition (Empowering Consumers Directive, EmpCoD<sup>113</sup>; requirements for affixing a sustainability label, cf. addition to Article 2(1)(q) and (r) and Annex I No. 2a in Directive 2005/29/EC)
- ISO 14024:2018: Environmental labels and declarations — Type I environmental labelling — Principles and procedures
- ISO 14021:2016: Environmental labels and declarations – self-declared environmental claims (Type II environmental labelling)
- ISO 14025:2006: Environmental labels and declarations — Type III environmental labelling — Principles and procedures

<sup>104</sup> [Swiss Climate Scores \(admin.ch\) V1.0; Updated Swiss Climate Scores](#) 8 December 2023.

<sup>105</sup> [AMAS Self-regulation on transparency and disclosure for sustainability-related collective assets, version 2.2, 2025.](#)

<sup>106</sup> [SSPA Sustainability Guidelines, 2023 \(in English\).](#)

<sup>107</sup> [ASIP ESG-Reporting Standard: Version 1.1, 2025.](#)

<sup>108</sup> [Swiss Stewardship Code, SSF and AMAS, 2023.](#)

<sup>109</sup> [SIA Self-regulation for unit-linked life insurance policies with a sustainability focus, 2025 \(not available in English\).](#)

<sup>110</sup> [SBA Guideline for mortgage providers to promote energy efficiency \(not available in English\).](#)

<sup>111</sup> [AMAS Environmental indicators for real estate funds, 2023.](#)

<sup>112</sup> [KGAST Environmental indicators for real estate investment groups \(not available in English\).](#)

<sup>113</sup> [Directive \(EU\) 2024/825 of the European Parliament and of the Council of 28 February 2024 amending Directives 2005/29/EC and 2011/83/EU as regards empowering consumers for the green transition through better protection against unfair practices and better information.](#)

## 5 Enforcement guidelines

Switzerland has a combined system of civil, criminal and administrative measures as well as self-regulatory measures to curb *greenwashing* and in particular unfair climate-related communications:

- **Civil and criminal proceedings:** Individuals whose economic interests are affected, associations and consumer protection organisations can take civil and criminal action against unfair climate-related claims.<sup>114</sup>
- **Enforcement by the State Secretariat for Economic Affairs (SECO):** The State Secretariat for Economic Affairs SECO may also bring civil or criminal actions if several persons are affected in their economic interests by unfair climate-related claims. Complaints can be submitted to SECO using a form available on the SECO website.<sup>115</sup>
- **Self-regulation by the Swiss Fair Trading Commission (SLK):** The Swiss Fair Trading Commission accepts complaints about misleading climate-related commercial communications and issues recommendations which are generally followed by the market participants concerned. The Swiss Fair Trading Commission has issued a guideline on commercial communications with an environmental focus / with environmental arguments.<sup>116</sup>
- **Consumer protection organisations:** Organisations such as the Foundation for Consumer Protection, the “Fédération romande des consommateurs FRC” and the “Associazione consumatrici e consumatori della Svizzera italiana” accept reports (e.g. via its greenwashing reporting platform<sup>117</sup>) and can file complaints (e.g. with SECO or the Swiss Fair Trading Commission) and initiate civil or criminal proceedings.
- **Swiss Financial Market Supervisory Authority (FINMA):** FINMA's mandate includes protecting financial market customers from unlawful business practices, in particular from deception. When it comes to greenwashing, FINMA's primary concern is to ensure that customers are not misled. In its [Guidance 05/2021](#)<sup>118</sup> on preventing and combating greenwashing, FINMA sets out its expectations and current practice in the area of collective capital investments and at the point of sale.
- **Sustainability reports pursuant to Articles 964a - 964c Swiss Code of Obligations (CO)** must be published electronically and remain publicly accessible for at least ten years. This means that the companies subject to this obligation are exposed to **public scrutiny**. Any person is entitled to file a criminal complaint for infringement of reporting obligations (Article 325<sup>ter</sup> Swiss Criminal Code<sup>119</sup>). Law enforcement authorities may also initiate a criminal investigation ex officio. The respective cantonal law enforcement authorities and, where applicable, the respective cantonal courts are competent. However, the current provisions on sustainability reporting do not provide for direct official control or supervision.<sup>120</sup>

<sup>114</sup> Cf. in particular [Article 9 et seq. Unfair Competition Act](#).

<sup>115</sup> Complaints can [SLK, Guideline – Commercial Communications with an Environmental Focus / with Environmental Arguments of 22 November 2023 \(not available in English\)](#).

<sup>117</sup> [Reporting platform of the Foundation for Consumer Protection \(not available in English\)](#).

<sup>118</sup> Cf. [FINMA publishes guidance on preventing and combating greenwashing, 3 November 2021](#).

<sup>119</sup> Swiss Criminal Code (SR 311.0).

<sup>120</sup> [25.3336 | Sustainability reporting. An interim conclusion | Business | The Swiss Parliament \(not available in English\)](#).

## Annex 1 General principles for assessing climate-related claims

### Communication quality

The following criteria relate to **formal aspects** such as the language and structure of a claim. They are intended to ensure that a claim is (i) clear, easily understandable, consistent and, in the case of comparative claims, also (ii) comparable.

- (i) **Clarity, comprehensibility and consistency:** The claim and any explanatory notes must be clear, concise and tailored to the target audience so that they are generally understandable. This requires that the claim does not contain any contradictory information and is structured in a coherent manner. The general level of knowledge of customers should be taken as a basis. For example, it should be taken into account that many recipients of a communication do not clearly distinguish between climate impact claims and other environmental impact claims. It should also be clearly communicated whether the claim relates to an entire product or company or only to certain parts of the product or company and how the claim is relevant (see content integrity). In the case of claims on planned measures, it must also be clearly communicated that the claim refers to a desired future state (rather than a state that has already occurred). For example, a desired future positive climate effect, such as through a reforestation project, must not be used to substantiate a current state claim. In addition, where relevant, the (reference) periods concerned must be clearly identified (e.g. "50% reduction in 2030 compared to 2020"). Furthermore, images, colours and other visual or acoustic elements must correspond to the actual commitments associated with the claims and must not lead to exaggeration.
- (ii) **Formal comparability:** Comparative claims shall clearly and comprehensibly communicate which products, services or companies are being compared and on which method the comparison is based. The comparison method used must be disclosed in a way that third parties can understand the message.

### Content integrity

The following criteria relate to the **content of a claim**, i.e. its substance. They ensure that a climate-related claim is (i) true, (ii) relevant, (iii) adequate, (iv) up to date and, where appropriate, (v) contains the necessary product use information. Assessing climate impact claims can be carried out by considering the Swiss target under the Climate and Innovation Act (CIA) to reduce the impact of anthropogenic greenhouse gas emissions to net zero by 2050 at the latest, as well as relevant interim targets.<sup>121</sup> However, this does not preclude climate claims being made against the backdrop of other climate protection or net-zero targets or based on other standards. In any case, an internationally recognised methodology must be chosen and transparency must be ensured.

- (i) **Truth:** The claim must be true. Its accuracy must be verifiable in the event of a dispute. Where appropriate, this verification may be supported by an independent review. However, there is no obligation to carry out a prior ex ante review. Further details on verification can be found in Section 4.1 above.
- (ii) **Relevance:** The claim refers to a substantial reduction in greenhouse gas emissions or other relevant effects on climate impact. When making claims about parts of products or companies, significant negative climate impacts elsewhere (in a company's value chain or in a product's life cycle) must not be concealed or offset with the reported positive climate impact. Claims based on compliance with legal requirements or general industry standards must include the relevant references.

<sup>121</sup> Article 5(1) CIA. See the adopted interim targets for 2030 (50% reduction compared to 1990) and 2035 (65% reduction compared to 1990) according to the CO2 Act and the second nationally determined contribution under the Paris Agreement of 29 January 2025 (*Switzerland's Second Nationally Determined Contribution (NDC) 2031-2035*).

- (iii) **Adequacy:** The claim is consistent with the actual climate impact achieved, both in terms of wording and aspects such as presentation and placement. There is a link to relevance and proportionality: the more relevant the actual climate impact achieved, the more it may be emphasised. Conversely, a claim must not contain exaggerated allegations that suggest an unrealistic or exaggerated reduction in climate impact. It must be ensured that the effects presented correspond to the actual facts, are presented in a proportionate manner, and that the claim does not raise false expectations.
- (iv) **Up-to-dateness:** The claim is based on up-to-date data and scientific findings. The data basis is regularly reviewed and updated in the event of significant changes. If the underlying data and scientific findings change, appropriate measures are taken and the claim is modified within a reasonable period of time.
- (v) **Product use information:** Where a claim requires a specific type of use or disposal of a product that significantly affects its climate impact, relevant instructions shall be provided in an understandable and easily accessible manner. The claim shall take into account the climate impacts of specific types of use and disposal only to the extent that their implementation is realistic in the given context.

## Annex 2 EU law and its developments

As part of the European Green Deal<sup>122</sup>, the EU tightened the rules on misleading environmental claims **for products, services and companies**. In February 2024, the Directive on Empowering Consumers for the Green Transition (**Empowering Consumers Directive (EmpCoD)**) was adopted.<sup>123</sup> EU Member States must transpose the *EmpCoD* into national law by 27 March 2026, which in turn must enter into force by 27 September 2026 at the latest. The key aspect of the *EmpCoD* is the inclusion of the following new offences in the “black list” of per se prohibited commercial practices according to Annex I to the Unfair Commercial Practices Directive<sup>124</sup>:

- (i) Using a label (“sustainability label”) that is not based on a certification system or has not been established by public authorities, whereby minimum requirements for transparency and credibility of such private certification systems are established<sup>125</sup>;
- (ii) Making a “general environmental claim”<sup>126</sup> without evidence of “recognised outstanding environmental performance”<sup>127</sup>;
- (iii) Making an environmental claim about an entire product or the entire business activities of a trader when it only relates to a specific aspect of the product or a specific activity of the trader's business activities;
- (iv) Claiming that a product has a neutral, reduced or positive impact on the environment in terms of greenhouse gas emissions due to the offsetting of greenhouse gas emissions.

It should be emphasised that the explicit restrictions on carbon offsetting measures under the *EmpCoD* relate exclusively to product-related claims. By contrast, carbon offsetting measures appear to be permitted in relation to climate impact claims of companies; however, such claims are currently still being legally assessed under EU law. The EU justifies its restrictive stance on carbon offsetting for product-related claims on the grounds that claims about a product suggest to customers that they relate to the product itself or to the provision, manufacture or consumption of that product (and customers therefore do not take into account any carbon offsetting that lies outside the product's life cycle).<sup>128</sup> The *EmpCoD* applies primarily in a *business-to-customer (B2C) context*; unlike the Swiss Unfair Competition Act, *business-to-business (B2B) communications* do therefore not fall directly within the *EmpCoD*'s scope.

Furthermore, according to the *EmpCoD*, environmental claims about future performance are misleading if they are not based on clear, objective, publicly available and verifiable commitments that are set out in a de-tailed and realistic implementation plan with measurable and time-bound targets and are regularly re-viewed by an independent expert, with the results being made available to the public. The *EmpCoD* may be supplemented by another directive, the Directive on Green Claims (**Green Claims Directive, GCD**)<sup>129</sup>. The draft *GCD* sets out minimum requirements for substantiating, communicating and verifying explicit environmental claims.

<sup>122</sup> European Commission, The [European Green Deal, 2024](#).

<sup>123</sup> [Directive \(EU\) 2024/825 of the European Parliament and of the Council of 28 February 2024 amending Directives 2005/29/EC and 2011/83/EU as regards empowering consumers for the green transition through better protection against unfair practices and better information](#).

<sup>124</sup> [Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005](#).

<sup>125</sup> These minimum requirements include that the system is open to all traders, that the requirements of the system are developed in consultation with relevant experts and stakeholders, procedures are in place for dealing with infringements, including the possibility of withdrawing or suspending the use of a label, and that compliance with system requirements is monitored by a third party that is independent of both the system owner and the trader.

<sup>126</sup> E.g. “environmentally friendly”, “environmentally sound”, “green”, “nature friendly”, “ecological”, “climate friendly”, “environmentally compatible”, “CO2 friendly”, “energy efficient” or “bio-based”.

<sup>127</sup> “Recognised outstanding environmental performance” can be demonstrated by compliance with Regulation (EC) No 66/2010 or with nationally recognised environmental labelling schemes in accordance with EN ISO 14024 in the Member States, or by compliance with maximum environmental performance for a specific ecological characteristic under other applicable Union law.

<sup>128</sup> *EmpCoD*, preamble (12).

<sup>129</sup> Proposal for a Directive of the European Parliament and of the Council on substantiation and communication of explicit environmental claims (Green Claims Directive of 22 March 2023).

In particular, according to the draft *GCD*, environmental claims must be verified by an independent and accredited verification body prior to publication. At the time of publication of this Enforcement Aid, it is not yet clear whether the *GCD* will be adopted.