



Mai 2025

---

# Explanatory document on the amendments to the CO<sub>2</sub> Ordinance (State 2025): key-points for offsetting projects

---

Aktenzeichen: BAFU-237-04.21-48373/6/3

## 1 Added value locally – Art. 5.1.b.5

### Authorization:

The applicant must provide detailed information on how the proceeds will be used and how they will demonstrate that this is indeed the case. It is up to them to provide the most relevant evidence. The Swiss Compensation Office reviews whether the verification concept and the evidence provided are plausible and sufficient.

### Monitoring:

For each of the planned measures, the applicant must present the evidence defined and validated in the project description to show that the measures have been implemented. The Swiss Compensation Office reviews this evidence.

## 2 Verifiability and quantifiability – Art. 5.1.c.1

Emission reductions or enhancements of sink capacities must be demonstrable and quantifiable in order for carbon credits to be issued. As a standard, emission reductions must be verified through direct measurements. If this is not possible, a scientific model may be used—provided it is validated through measurements during the monitoring phase. Survey results are subject to significant uncertainties and are therefore only accepted as evidence if they are confirmed by representative samples or measurements.

## 3 Suppressed demand – Art. 5.1.c.1

This concept originates from the CDM (Clean Development Mechanism) and does not align with our understanding of the quantifiability of emission reductions. In the context of Paris Agreement and the requirements for corresponding adjustments, projects solely based on suppressed demand run the risk of overselling of emission reductions. For this purpose, only projects with a small portion of emission reductions based on suppressed demand are acceptable.

## 4 Transfer of emission allowances – Art. 5.1.g

To reduce the risk of double counting, the applicant must be able to demonstrate that they own the right to the emission reductions. This requires that the project beneficiaries have waived their right to sell or use the emission reductions themselves or transfer them to other parties. Proof of this waiver can be provided, for example, in the form of a CO<sub>2</sub> waiver declaration (so-called carbon waiver), which is signed by the project beneficiaries. Concrete proof must be available for each individual project beneficiary.



## **5 Programmes focusing on one technology only – Art. 5a.1.b**

To avoid disproportionate additional effort from the applicant to the validator and verifier and the Swiss Compensation Office, a program may include only one type of technology, and only projects that use this technology may be included in the program. However, a program may combine technologies if they are interdependent and necessary for the implementation of the program (e.g., a program that involves both the replacement and recycling of refrigerants. In this case, recycling cannot take place without the replacement of the refrigerant). In such cases, all technologies must be specified in the program description. The economic viability calculation must be representative at the program level.

## **6 Stakeholder consultation – Art. 6.2.n.3**

For projects or programs abroad, the applicant must ensure a consultation process with stakeholders affected by the project implementation as part of the project design, in order to be eligible for registration in Switzerland. This participatory process does not replace any existing requirements in the partner country, which must be strictly respected and included in the information submitted to the validator.

The format of the consultation, conducted prior to validation, as well as the method of providing feedback opportunities, must be chosen in a context-specific manner by the applicant, unless the partner country has already defined specific requirements. Requirements set by partner countries for such consultations are generally accepted by Switzerland.

- The identification of relevant stakeholders is project-specific and is the responsibility of the applicant. For example, in efficient cookstove projects, relevant stakeholders include the users of the cookstoves, and the local industry. In contrast, for an e-bus project, stakeholders might include public transport users, nearby residents, and local businesses.
- **MADD:** A summary of the consultation results, the potential implementation of feedback received, or a justification for not implementing it.
- **Monitoring:** Feedback received since registration, the potential implementation of that feedback, or justification for not implementing it.

## **7 Submission of documents by verifiers and validators – Arts 7.1 and 9.5**

To improve efficiency, validator and verifier (VV) must submit the validated application or verified monitoring report to the Federal Office for the Environment (FOEN). Additionally, the applicant may, if desired, delegate the task of responding to questions raised by the FOEN during the project review to the VV. However, the responsibility remains with the applicant.

## **8 All emission reductions must be applied for – Art. 9.5**

The applicant must request attestations for all emission reductions generated by the project in their monitoring report. It is not possible to apply for attestations for only a portion of the emission reductions (except in the case of apportionment of effect under the building program). Doing so would contradict the additionality requirements (economic feasibility and emission reductions) of the project.

## **9 Overall Mitigation in Global Emissions (OMGE) – Art. 10.6bis**

For projects abroad, the FOEN, in consultation with the partner country, will retire 2% of the attestations and waive their inclusion in Switzerland's reduction target. In the event that the partner country has retired less than 2%, Switzerland will retire the remaining amount.

This implements the recommendation from the COP26 Climate Conference in Glasgow regarding activities under Article 6, Paragraph 2 of the Paris Agreement into Swiss law.

## **10 Duty to report substantial modifications – Art. 11.1**

A substantial modification to the mitigation activity must be reported to the FOEN with the next monitoring report. Previously, this was only specified at the level of the implementation notification.

## **11 Projects and programmes with biochar in Switzerland and abroad – Annexes 2a and 3**

Abroad: the use of biochar is excluded for environmental protection concerns, except in building materials, provided the following conditions are met:

- The manufacturing processes and properties of the biochar used must be proven and guaranteed (e.g., through a WBC certification).
- When disposing of building materials, no harmful substances may enter ecosystems. The partner country must have corresponding regulations in place.

## **12 State of the art – Art. 5.1.b.2 and Annex 3**

To be considered as state of the art, technologies must meet an advanced level of development:

- At least demonstrates the technical feasibility
- The technology is practically applicable
- The technology is currently being discussed in (scientific) expert circles
- Its application is accepted or has been successfully applied under comparable geographical conditions and to a comparable extent.

## **13 Requirements for renewable thermal and motor fuels in the HKN register – Annex 3**

With the implementation of the HKN-register (origin register for renewable fuels and combustibles), the use of renewable fuels and biofuels will be documented through this register. This will continue to prevent double counting between different climate policy instruments, as well as fulfil the ecological requirements of Article 35d of the USG (Environmental Protection Act). The ecological requirements are outlined in the Ordinance on the Marketing of Renewable or Low-Emission Fuels (IBTV). These requirements are binding for the use of biofuels in compensation projects and replace the ecological and social requirements for biofuels specified in Article 12b of the Mineral Oil Tax Act. Since this is only a formal change, it must be implemented by all registered compensation projects from the moment the ordinance comes into effect. The use of hydrogen no longer needs to be generally excluded, but is now permitted as part of the use of renewable fuels and biofuels.

## **14 Electrification of process heat – Annex 3**

The electrification of process heat can also be certified outside of heat pumps, provided that the electricity used comes from renewable sources. Proof can be provided through a purchase contract for renewable electricity and the retirement of certificates of origin, or through the documented production of renewable electricity within the project.

## **15 Emission factor reduction path – Annex 3a**

Due to technological progress and the diverse instruments of climate legislation at the federal, cantonal, and municipal levels, the share of renewable heat supply in the reference increases. This development is reflected in the standard method for district heating networks. The flat emission factor for new heat consumers (EF<sub>WV,y,z</sub>) has been reduced and is now a dynamic parameter that decreases over time. The more time that has passed since the implementation of the project, the smaller the factor (= emission reductions decrease).

## **16 Permitted carbon storage Abroad – Art. 5.2 and Annex 19**

- **Not Approved:** Biological Storage
- **Geological Storage:** must take place in a storage site recognized by the partner countries under a multilateral agreement, or in a storage site approved under Directive 2009/31/EC.