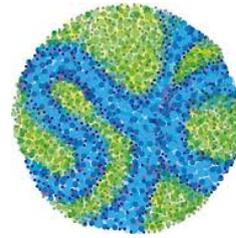


Aînées pour la protection du climat

**KlimaSeniorinnen**



**Platform  
Agenda  
2030**



SWISS  
YOUTH  
for  
CLIMATE



The Global Initiative  
*for* Economic, Social and Cultural Rights



**EARTHJUSTICE**  
BECAUSE THE EARTH NEEDS A GOOD LAWYER



CENTER for INTERNATIONAL  
ENVIRONMENTAL LAW

**Joint Parallel Report** submitted by

Platform Agenda 2030, Swiss Youth for Climate, the Center for  
International Environmental Law, EarthJustice, the Global  
Initiative for Economic, Social and Cultural Rights, and  
Klimaseniorinnen,

to the

**Committee on Economic, Social and Cultural Rights**

For the Dialogue with **Switzerland** during the Committee's 66<sup>th</sup>  
Working Group Session

30 September – 18 October 2019

Submitted 29 September 2019

## EXECUTIVE SUMMARY

The present information seeks to provide a rebuttal to the response provided by Switzerland to the questions contained in paragraph 5 of the List of Issues, on climate commitments. The information contained in this report builds on the report submitted by Klimaseniorinnen Schweiz on the occasion of the 63th Pre-Sessional Working Group in October 2018.

As is laid out in this parallel report, Switzerland is not upholding its obligation under the Convention of States to take preventive measures to mitigate climate risks. As reiterated in the statement adopted by the Committee on climate change in September 2019, States must, in accordance with their human rights obligations and climate commitments, must adopt and implement policies aimed at reducing emissions, which reflect the highest possible ambition, foster climate resilience and ensure that public and private investments are consistent with a pathway towards low carbon emissions and climate resilient development. This includes science-based reduction of greenhouse gas emissions and the effective regulation of private actors.

Switzerland is not undertaking the necessary efforts to reduce its greenhouse gas emissions. Not only will Switzerland miss its current 2020 emission reduction target, but its new 2030 target is not aligned the emissions pathways that the scientific community has found compatible with the prevention of the most dangerous levels of global warming. In particular, increasing transport-related emissions in Switzerland are severely impacting air quality, which has adverse impacts on the realization of a range of human rights. Thus, Switzerland's mitigation policies are insufficient to meet its obligations under the International Covenant on Economic, Social and Cultural Rights – including in light of the Paris Agreement.

In addition, given the foreseeable impacts on human rights with every additional warming, Switzerland must ensure that financial flows from public and private investors are compatible with a pathway to limiting global warming to 1.5°C, in line with the objectives of the Paris Agreement. Switzerland's public and private financial institutions significantly contribute to the continuation of climate-damaging industries, the fossil fuel industry in particular, thereby causing further harms to human rights both in Switzerland, as well as abroad. As it currently stands, Switzerland's obligations under the Covenant require that the country regulates financial institutions under its jurisdiction adequately to mitigate the climate-induced threats resulting from the large-scale investments of these institutions, in particular in damaging fossil fuels. This matter is not trivial as it is estimated that the fossil fuel impact of Swiss investments is equivalent to 22 times the emissions generated in Switzerland.

**In light of the information provided in this parallel report, we encourage the Committee on Economic, Social and Cultural Rights to adopt the following recommendations with respect to Switzerland:**

- a) Recommends that Switzerland's brings it climate policies in line with its human rights obligations under the Covenant and with its climate commitments, by significantly reducing its greenhouse gas emissions, particularly those resulting from the road transportation and aviation sectors, in line with a pathway of compatible with a limitation of global warming to 1.5°C.**
- b) Recommends that Switzerland adopts and implement policies that ensure that publicly and private investments are compatible with the need to reduce urgently emissions of greenhouse gases, including by divesting assets away from carbon-intensive industries, and that public and privately owned financial actors are held accountable for climate-related harm they generate both domestically and extraterritorially.**

## Submitting Organization(s)

This report is submitted by the following organizations:

- **Swiss Youth for Climate** was established in 2015 as a non-partisan association seeking to advocate for pragmatic, responsible, and ambitious climate policies at the national and international level; to raise awareness about the emergency of the climate crisis and about the importance of local and global actions; and to mobilize the population, in particular the young generation, in favor of the ecological transition.
- **KlimaSeniorinnen** is committed to protecting our fundamental rights, especially our right to life. We are committed to preserving our natural livelihood for us, our grandchildren and all those who will live in the future.
- The Swiss CSO **Platform Agenda 2030** represents more than 45 Swiss civil society actors engaged in development cooperation, environmental protection, gender, peace, sustainable business and trade unions, striving to bring forward the implementation of the Agenda 2030 in and by Switzerland.
- The **Center for International Environmental Law (CIEL)** uses the power of law to protect the environment, promote human rights, and ensure a just and sustainable society.
- **Earthjustice** is a non-profit public interest law firm dedicated to protecting the environment and to defending the right of all people to a healthy and sustainable environment.
- The **Global Initiative for Economic, Social and Cultural Rights (GI-ESCR)** is an international non-governmental human rights organization which seeks to advance the realization of economic, social and cultural rights throughout the world, tackling the endemic problem of global poverty through a human rights lens.

### 1. Climate Change Impacts on Human Rights

The adverse impacts of climate change constitute one of the most significant global threats for the enjoyment of economic, social and cultural rights. Climate change “threatens the full enjoyment of a wide range of rights, including the rights to life, health, water, food, housing, development and self-determination”.<sup>1</sup> Annually, at least 150,000 premature deaths globally have been linked to climate change.<sup>2</sup> Estimations attribute some 250.000 annual climate-related deaths by 2030 to heat stress, malaria, diarrhoea and malnutrition alone.<sup>3</sup> Moreover, adverse impacts of climate change will lead to the increase of respiratory disease, cardiovascular disease, heat stroke, water -borne and vector-borne diseases and mental illness.<sup>4</sup>

### 2. The Duty of the State to Reduce Emissions in Line with Climate Science

The magnitude of these impacts will keep increasing as temperatures continue to rise. With the adoption of the Paris Agreement, Parties committed themselves to limit the increase of temperatures well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C.<sup>5</sup> In addition, States have legal obligations under the International Covenant on Economic, Social

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<sup>1</sup> United Nations Special Rapporteur on Human Rights and the Environment, Report on the issue of human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment, A/HRC/31/52 (2016), para 23.

<sup>2</sup> DARA and the Climate Vulnerable Forum, *Climate Vulnerability Monitor 2nd Edition: A Guide to the Cold Calculus of a Hot Planet* (DARA, 2012).

<sup>3</sup> WHO, *Quantitative risk assessment of the effects of climate change on selected causes of death, 2030s and 2050s* (WHO, 2014).

<sup>4</sup> IPCC, *Climate Change 2014: Impacts, Adaptation, and Vulnerability* (IPCC, 2014).

<sup>5</sup> Paris Agreement on Climate Change (2015) , Article 2.1.a.

and Cultural Rights (ICESCR) to take action to protect people's human rights from actual and foreseeable adverse effects of climate change and to mobilize the maximum available resources to do so.<sup>6</sup>

In October 2018, the Intergovernmental Panel on Climate Change (IPCC) released its Special Report on Global Warming of 1.5°C (SR1.5). It underlines that emissions will need to be reduced even more stringently to maintain the temperature increase below 1.5°C.<sup>7</sup> According to the findings of this report (which have been endorsed by the Swiss government), any warming above 1.5°C will result in severe additional climate impacts and large risks for communities and ecosystems, including for ecosystems found in Switzerland such as Alpine ecosystems. Moreover, it will result in an increase in the frequency and intensity of extreme weather events. Thus, it is imperative from a human rights perspective that States limit warming to 1.5°C, as underlined by the Committee on Economic, Social and Cultural Rights (CESCR).<sup>8</sup>

Developed countries bear the most responsibility to reduce emissions since they have contributed the most to global warming. Hence, they must take the lead in implementing ambitious climate action. Additionally, the duty of international cooperation for the progressive realization of human rights requires States with the capacity to do so, to take action to promote the global promotion of human rights.<sup>9</sup> That this historic responsibility impacts human rights obligations of developed States is reiterated by the UN Special Rapporteur on Human Rights and the Environment in his report on a safe climate, in which he emphasizes that developed States must "[r]educe emissions more rapidly and pay the lion's share of the costs to assist developing States."<sup>10</sup>

These principles are also reflected in the climate treaties that Switzerland has ratified. The United Nations Framework Convention on Climate Change (UNFCCC), its Kyoto Protocol, and the Paris Agreement recognize that the developed countries should take the lead in combating climate change and its adverse effects.

### 3. Shortcomings of Swiss Climate Policies

By ratifying the Paris Agreement, Switzerland has committed itself to collective efforts aiming at keeping the increase of temperatures well below 2°C and, in line with the latest, best available science, to below 1.5°C.<sup>11</sup> This target is consistent with the obligations of Switzerland under the ICESCR to respect, protect and fulfil economic, social and cultural rights of its own population, as well as outside of its territory.<sup>12</sup>

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<sup>6</sup> Statement of the Committee on Economic, Social and Cultural Rights (CESCR), Climate change and the International Covenant on Economic, Social and Cultural Rights, UN Doc E/C.12/2018/1 (2018).

<sup>7</sup> Intergovernmental Panel on Climate Change, *Special Report: Global warming of 1.5°C*, 2018, In Press.

<sup>8</sup> CESCR Statement (n 6).

<sup>9</sup> *Ibid.*

<sup>10</sup> HRC, 'Report of the UN Special Rapporteur on Human Rights and the Environment on human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment' (2019), A/74/161, para 14. *See also* CESCR, Concluding Observations on Mauritius (2019), para 9.

<sup>11</sup> Paris Agreement on Climate Change (2015), Article 2.1(a).

<sup>12</sup> This is in line with articles 55 and 56 of the United Nations Charter and should be done in line with the best available science, see CESCR Statement (n 6).

The Swiss CO<sub>2</sub> Act of 2013, which currently provides the primary framework for Swiss climate policy, requires that emissions must be reduced domestically by at least 20% by 2020 as compared with 1990 levels. According to the latest data provided by the Swiss government to the UNFCCC,<sup>13</sup> the country's emissions of greenhouse gases had been reduced however by only 10.4% between 1990 and 2015, with only a "slightly decreasing trend superimposed the variations from meteorological conditions". **At the current pace of emission reductions and considering the impact of policies in place, Switzerland is expected to fail to meet its 2020 emission reduction target by a wide margin.**<sup>14</sup>

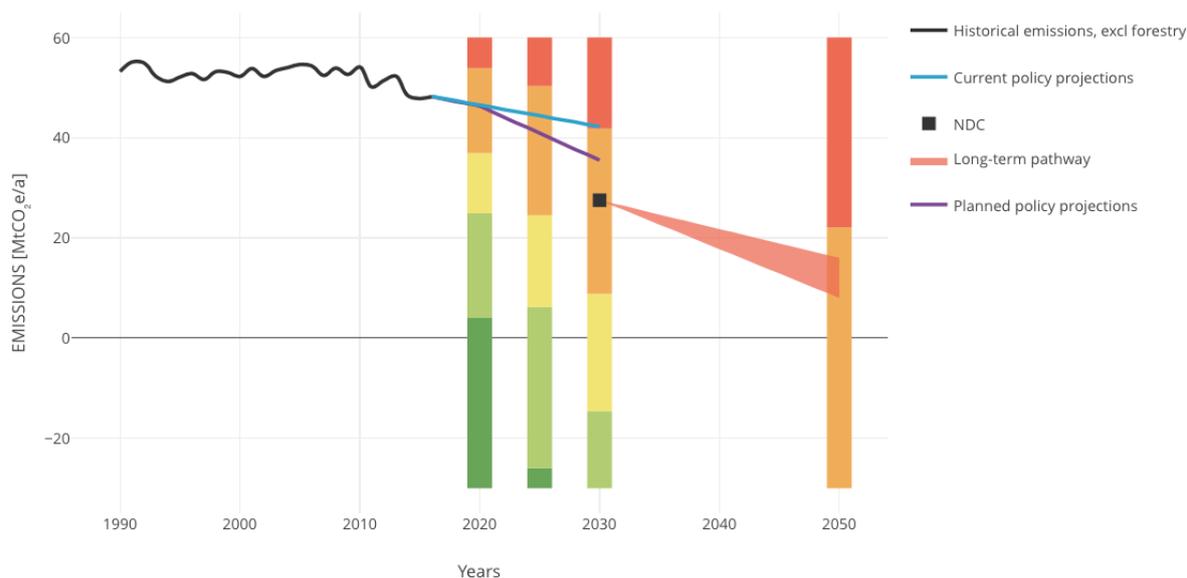


Figure 1: Switzerland's historical emissions since 1990 (black line) and climate policies projection (blue and purple lines). Switzerland's goal for 2030 is shown as a black square. The vertical yellow bars indicate ranges of emissions that are 2°C-compatible

Under the Paris Agreement, Switzerland has committed to reduce its emissions by 50% by 2030 as compared with 1990 levels (see Figure 1). The commitment, however, foresees that this target might be achieved through the use of international offsets – indicating that the government of Switzerland intends to reduce domestic emissions by a smaller margin.

This level is inadequate in light of climate science. According to the IPCC SR1.5, global emissions should decrease by at least 60% by 2030 compared to 1990 to retain a reasonable chance to keep temperature increase below 1.5°C. Efforts in emission reductions must urgently increase. If emissions are not rapidly decreased at this time, it will get more difficult and it will be costlier to maintain the temperature at safe levels. As mentioned, developed countries historically bear the most responsibility in global emissions, but also possess the technical and financial capacity to reduce emissions, in contrast to developing countries. **For this reason, Switzerland's objective of 50% reduction by 2030 including the use of international offsets does not align with Switzerland's international obligations under the International Covenant on Economic, Social and Cultural Rights<sup>15</sup> and the goals of the climate agreements that it has ratified.**

Parties to the Paris Agreement have explicitly committed to “[f]ormulate and communicate long-term low greenhouse gas emission development strategies, mindful of Article 2”.<sup>16</sup> Switzerland has recently

<sup>13</sup> Swiss Federal Office for the Environment, *Switzerland's Seventh National Communication and Third Biennial Report under the UNFCCC*, January 2018, page 64.

<sup>14</sup> See <https://climateactiontracker.org/countries/switzerland/>.

<sup>15</sup> See CESCR, Concluding Observations on Germany (2018), paras 18, 19.

<sup>16</sup> Paris Agreement on Climate Change (2015), article 4.19.

communicated its intention to net zero emissions by 2050, however, has yet to transform this ambition into effective climate policies and legally binding and enforceable measures. These policies must set a framework directing all actors under the jurisdiction of Switzerland to contribute to the progressive decarbonization of society, without the use international offsets.

The sharp increase of emissions in its transport sector illustres well Switzerland’s expected inability to reach its 2020 goals. According to governmental data related to national emissions between 1990 and 2015, emissions generated by the transport sector constitute the largest source of GHG emissions in Switzerland. In addition, the sector has actually *increased* its emissions, from accounting for 27.3% of total GHG emissions in 1990 to 31.9% in 2015.<sup>17</sup> Most significantly, the volume of **air transport** increased by 126% during this period. Emissions linked to air transport alone account for 10.6% of the total emissions in Switzerland.<sup>18</sup> This is more than three times the European average of air transport emissions – despite the comparative socio-economic conditions prevailing in neighboring countries. Furthermore, as shown in Figure 2, the share of private road transport has only been increasing since 1970. Additionally, aviation kerosene used in international flights is not subject to any taxation while aviation kerosene and gasoline for domestic flights are subject to the oil tax and VAT but not to the CO2 tax.<sup>19</sup> This fiscal advantage constitutes a form of subsidies for a high emitting transportation sector. **Switzerland’s lack of sufficient measures to curb emissions of greenhouse gases generated from the transport sector – including international aviation – thus contributes to the increase of adverse human rights impacts associated with climate change.**

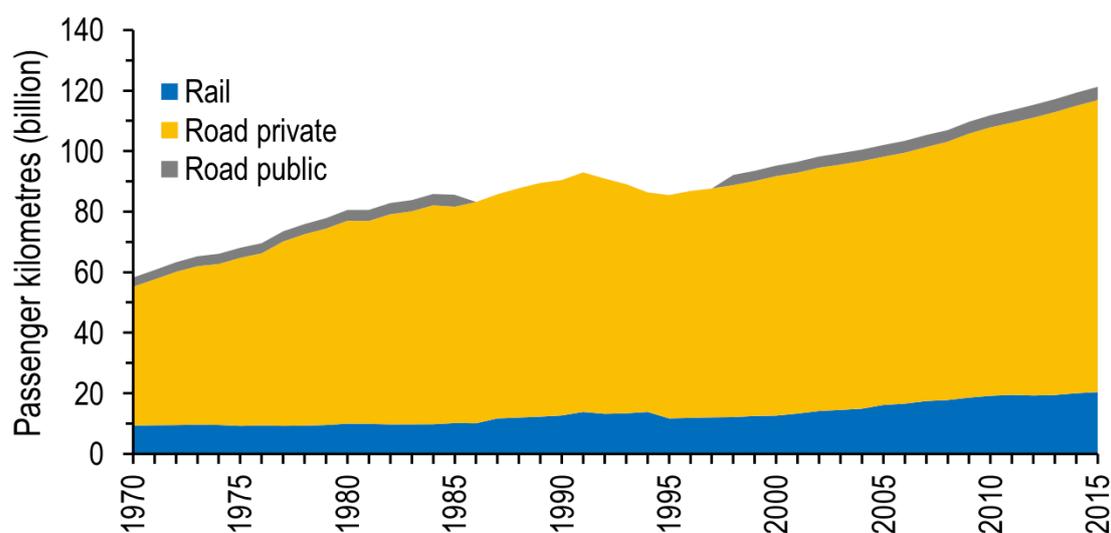


Figure 2: Passenger kilometres by motorised traffic on road (private and public) and rail from 1970 to 2015. Road public data from 1986 to 1997 is missing.

<sup>17</sup> Swiss Federal Office for the Environment, *Switzerland’s Seventh National Communication and Third Biennial Report under the UNFCCC*, January 2018, pages 53 and 61-70.

<sup>18</sup> Swiss Federal Office for the Environment, *Evolution of Greenhouse Gas Emissions in Switzerland since 1990*, April 2019. The UN Special Rapporteur in his report on a Safe Climate (n 10), also underlines the importance of the need to take stronger steps towards the reduction of emissions from aviation (para 80).

<sup>19</sup> International Energy Agency (IEA) and the Organisation for Economic Co-operation and Development (OECD), *update on recent progress in reform of inefficient fossil fuel subsidies that encourage wasteful consumption* (2018), at 22.

#### 4. Adverse Impacts of Transport-Related Atmospheric Pollution

This significant increase of emissions of greenhouse gases in the transport sector specifically, has adverse health impacts in Switzerland, due to the increase of resulting atmospheric pollution.<sup>20</sup> Environmental pollution is among the largest causes of premature deaths.<sup>21</sup> Globally, air pollution alone is responsible for over 3 million premature deaths a year.<sup>22</sup>

A 2017 report<sup>23</sup> mandated by the Federal Office for the Environment on the measured values of nitrogen dioxide (NO<sub>2</sub>), ozone (O<sub>3</sub>), and particulate matter (PM10) shows that limit values defined by the Swiss law<sup>24</sup> are regularly exceeded by transport- and industry-related emissions. The annual average of NO<sub>2</sub> emitted exceeds the limit value in about half of the measuring stations. Nearly all stations measured levels of PM10 above the limit value for several days, up to 45 days in Ticino. All but one station measured levels of O<sub>3</sub> above the limit value for several days again, up to 33 days in Ticino. The draft report for 2018<sup>25</sup> shows similar observations. In April 2018, the Federal Council established limit values for PM2.5, whose annual average last year was systematically exceeded in all stations except two. No sign of improvement can be found in the last 5 years.

According to the World Health Organisation, exposure to these pollutants can trigger health problems, including asthma, bronchitis, cardiovascular diseases, and cancer.<sup>26</sup> In addition, pollution peaks exceeding the standards have not been communicated to the public on several occasions<sup>27</sup>. This prevents the population from adopting appropriate behaviour when exposed to high levels of pollution. As recognized by the Committee, **this pollution and the lack of sufficient policy to address it, infringes Switzerland's human rights obligations.**<sup>28</sup>

#### 5. Failure to Regulate Financial Flows Adequately

To respond to the climate emergency we are now facing and to ensure we are on a pathway to 1.5°C, the government of Switzerland must adopt policies which are in line with climate science, and ensure the full enjoyment of human rights domestically, as well as abroad.<sup>29</sup> This includes the adoption of stricter financial and fiscal policies, effective regulation for the bank sector and the active pursuit of government institutions to phase-out fossil fuels.

##### 5.1. State Obligations under the Covenant

The International Covenant on Economic, Social and Cultural Rights requires States to regulate the private sector.<sup>30</sup> As recognized by the Committee, States must effectively regulate the private sector

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<sup>20</sup> Regarding the human rights duties of the State to protect human rights from the impacts of atmospheric pollution, see the report on the right to breath clean air presented to the Human Rights Council in February 2019 by the UN Special Rapporteur on human rights obligations relating to the enjoyment of a safe, clean, healthy and sustainable environment, UN Doc. A/HRC/40/55.

<sup>21</sup> Landrigan, P. J., Fuller, R., Acosta, N. J., Adeyi, O., Arnold, R., Baldé, A. B., ... & Chiles, T. (2017). The Lancet Commission on pollution and health. *The Lancet*.

<sup>22</sup> Lelieveld, J., Evans, J. S., Fnais, M., Giannadaki, D., & Pozzer, A. (2015). The contribution of outdoor air pollution sources to premature mortality on a global scale. *Nature*, 525(7569), 367.

<sup>23</sup> ARIAS, *Immissionsmessungen in der Schweiz 2017*, May 2018.

<sup>24</sup> Swiss Federal Council, *Ordinance on Air Pollution Control (OAPC)*, December 1985.

<sup>25</sup> Federal Office for the Environment, *Pollution de l'air en 2018 (commentaire)*, March 2019.

<sup>26</sup> World Health Organisation, *Ambient (outdoor) air quality and health*, May 2018.

<sup>27</sup> Maurice M. 30.04.2019. "La Suisse sous-estime la pollution de l'air", *Le Temps*.

<sup>28</sup> CESCR, Concluding Observations on Kazakhstan (2010); CESCR, Concluding Observations on Mongolia (2015); CESCR, List of Issues to Kazakhstan (2018); CESCR, 'General Comment No. 14 on the right to the highest attainable standard of health' (2000), E/C.12/2000/4, p. 11, 15.

<sup>29</sup> See CESCR Statement (n 6).

<sup>30</sup> CESCR, 'General Comment No. 24 on State Obligations under the International Covenant on Economic, Social and Cultural Rights in the Context of Business Activities' (2017), E/C.12/GC/24.

to ensure that they support State's efforts to combat climate change and their actions do not worsen climate change.<sup>31</sup> The Committee in its General Comment 24 underlines that a State's obligation to respect economic, social and cultural rights is violated when they pursue policies that negatively impact these rights.<sup>32</sup> Fossil fuels and their contribution to various adverse environmental impacts, pose a threat to the realization of economic, social and cultural rights. For example, in the Committee's Concluding Observations on Argentina, it expresses its concern that "[h]ydraulic fracturing (...) would have a negative impact on global warming and on the enjoyment of economic and social rights by the world's population and future generations".<sup>33</sup> Revoking export credits and other forms of State support may be necessary to respect economic, social and cultural rights.<sup>34</sup>

In addition States must, in line with their obligation to protect economic social and cultural rights, effectively prevent infringements of these rights in the context of the private sector.<sup>35</sup> A violation occurs when States fail to prevent conduct of businesses that lead to the violation of rights under the Covenant or has the foreseeable effect of leading to an abuse of these rights.<sup>36</sup> Since climate change is accompanied with a range of foreseeable impacts on human rights, pursuing policies which allow for large investments in the fossil fuel industry, constitutes a violation of the State to protect economic, social and cultural rights. This obligation also applies extraterritorial as repeatedly emphasised by the Committee.<sup>37</sup> In relation to mining and oil projects, the Committee stresses particular due diligence is required.<sup>38</sup> In light of the preventive measures that need to be taken, CESCR in its Concluding Observations on Sweden underscored the need for "[s]ystematic control by the State party of the investments made abroad by enterprises domiciled under its jurisdiction (...) which weakens the ability of the State party to prevent negative impacts from such investments on the enjoyment of economic, social and cultural rights by local populations."<sup>39</sup>

As part of a State's obligation to fulfil economic, social and cultural rights, States must contribute in creating an international environment that facilitates the fulfilment of these rights. This encompasses the obligation of States to pursue policies that promote and help create such an environment. The extraterritorial effects of large-scale investments in the fossil fuel industry<sup>40</sup> will contribute to the adverse impacts of climate change on human rights abroad. Moreover, CESCR has, in their Statement on Climate Change, highlighted that States need to adopt policies "[t]hat can channel modes of production and consumption towards a more environmentally sustainable pathway".

The need to regulate financial institutions has also been underlined by the Committee on the Rights of the Child<sup>41</sup> as well at the Committee on the Elimination of Discrimination Against Women.<sup>42</sup> In its September 2019 Joint Statement, the Committee - along with four other Human Rights Treaty Bodies

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<sup>31</sup> See CESCR Statement (n 6).

<sup>32</sup> CESCR GC24 (n 31), para 12.

<sup>33</sup> CESCR, Concluding Observations on Argentina (2018), para 13.

<sup>34</sup> CESCR GC24 (n 31), para 15.

<sup>35</sup> *Ibid*, para 14.

<sup>36</sup> *Ibid*, para 18.

<sup>37</sup> *Ibid*, paras 27, 28.

<sup>38</sup> *Ibid*, para 32.

<sup>39</sup> CESCR, Concluding Observations on Sweden (2016).

<sup>40</sup> See for example CESCR, Concluding Observations on Australia (2017). See also, CRC, Concluding Observations on Japan (2019); CEDAW, Concluding Observations on Australia (2018).

<sup>41</sup> CRC, List of Issues Prior to Reporting to Luxembourg (2019): "provide information regarding policies implemented by the State party to ensure that private and publicly owned financial institutions (...) take into consideration the implications for climate change of their investments and the resulting harmful impact on children."

<sup>42</sup> See List of Issues Prior to Reporting to Sweden (2019): "Please (...) provide information on the oversight mechanisms in place for regulating the investments made abroad by enterprises domiciled under the State party's jurisdiction, including the Swedish national pension funds, in order to prevent such investments from having a negative impact on the rights of women and girls."

– also emphasised that “States should also discontinue financial incentives or investments in activities and infrastructure which are not consistent with low greenhouse gas emissions pathways, whether undertaken by public or private actors as a mitigation measure to prevent further damage and risk”.<sup>43</sup>

## 5.2. Contribution of Switzerland’s Financial Actors to the Climate Crisis

Echoing the obligations under the International Covenant on Economic, Social and Cultural Rights and other human rights treaties, the Paris Agreement provides the objective to make “[f]inance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development.”<sup>44</sup> This commitment applies to both public and private, including national and international financial flows. Its inclusion in the Paris Agreement implies that this pathway is critical to achieving its overall goal of halting climate change, by ensuring all finance is directed to carbon neutral technologies, such as renewable energy, and that finance does not entice investments in industries related to fossils fuels.

**Switzerland has largely failed to take sufficient steps to fulfil this obligation and protect children from the adverse climate-induced impacts of investments made by Swiss financial institutions. When including the Swiss banking sector, Switzerland is annually responsible for 535 Mt of emissions worldwide. This is about 22 times Switzerland’s domestic greenhouse gas emissions.**<sup>45</sup>

When looking at Switzerland’s private financial actors, two of its banks have for instance invested billions in the fossil fuel industry over the last few years. Credit Suisse invested more than 57 billion USD between 2016-2018 on fossil fuel financing.<sup>46</sup> In this time, they have financed at least 14 fossil fuel projects and 19 fossil fuel companies. Similarly, between 2016-2018, UBS has financed the fossil fuel industry with more than 25 billion USD.<sup>47</sup> Given the importance of its financial centre and the absence of adequate regulations, Swiss banks have invested per capita over recent years more heavily into extreme fossil fuels than any banks in Europe and worldwide – except for Canadian banks.<sup>48</sup> **Alone, the carbon footprint resulting from Credit Suisse’s investments in fossil fuels industries is more than two times larger than the emissions emitted by the entire Swiss population.**

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<sup>43</sup> Joint Statement on "Human Rights and Climate Change", CEDAW, CESCR, CPRD, CRC, CRPD, 16 September 2019.

<sup>44</sup> Art 2.1c of the Paris Agreement.

<sup>45</sup> See Climate Alliance Switzerland, ‘Climate Masterplan Switzerland’ (October 2016), pp. 5-6, 20.

<sup>46</sup> [https://www.banktrack.org/download/banking\\_on\\_climate\\_change\\_2019\\_fossil\\_fuel\\_finance\\_report\\_card/banking\\_on\\_climate\\_change\\_2019.pdf](https://www.banktrack.org/download/banking_on_climate_change_2019_fossil_fuel_finance_report_card/banking_on_climate_change_2019.pdf).

<sup>47</sup> *Ibid.*

<sup>48</sup> Swiss Banks in the End of the Fossil Fuel Age, Greenpeace and Banktrack (2019),

[https://www.banktrack.org/download/swiss\\_banks\\_in\\_the\\_end\\_of\\_the\\_fossil\\_fuel\\_age/greenpeace\\_banktrack\\_fossil\\_fuel\\_age\\_english.pdf](https://www.banktrack.org/download/swiss_banks_in_the_end_of_the_fossil_fuel_age/greenpeace_banktrack_fossil_fuel_age_english.pdf).

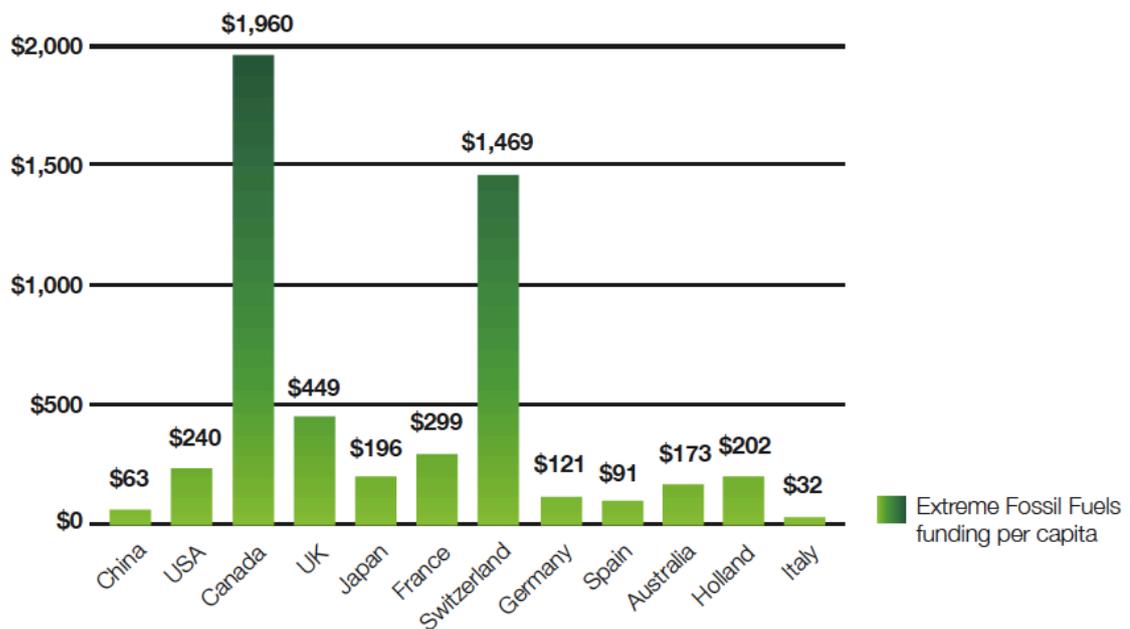


Figure 3: Global banks' fossil fuel financing, \$ per capita (2015-2017).

The Swiss National Bank (SNB), despite their investment policy requiring them to not invest in companies that systemically cause detrimental environmental damage, invested 2.1 billion USD in oil and gas in the US. It is estimated that investments in fossil fuel companies make up around 11% of the SNB's entire investment portfolio.<sup>49</sup> The portion of SNB's equity portfolio that is known sourced the emissions of 48.5 million tons of CO<sub>2</sub> in 2017, more than Switzerland's total emissions of 2016.<sup>50</sup>

Additionally, Swiss pension funds and insurances, which also have a significant financial impact outweighing the size of the country, are heavily invested in fossil fuels. A study commissioned in 2017 by the Swiss government's federal office for the environment indicated that these institutions' "[i]nvestment behaviour supports global warming of 4 to 6°C".<sup>51</sup> Incompatibility between the investments of Swiss pension funds and the official global climate goals to which the country has committed are further exemplified by the case of the Swiss Federal Pension Fund PUBLICA – a publicly owned fund under the supervision of the Swiss Federal Department of Finance. PUBLICA currently holds 1.5 billion USD of investments in the fossil fuel industry.<sup>52</sup> Given that this is a publicly-owned fund, the State bears the direct responsibility for any infringements of human rights resulting from its operations.

These large financial flows are not only adversely impacting their own climate efforts, but they also encourage the continued and still expanding fossil fuel use worldwide. Consequently, the failure of the Swiss government to regulate private and public financial actors completely undermines all domestic policies to reduce its emissions. Until the government upholds its obligation to regulate the private sector adequately, the country and its private actors will continue to have a disproportionate carbon footprint undermining the right of people in Switzerland and worldwide to enjoy the highest

<sup>49</sup> <http://www.klima-allianz.ch/nationalbank>.

<sup>50</sup> Artisansdelatransition, 'The Swiss National Bank's Investments in the Fossil Fuel Industry Inflicts Heavy Losses to Switzerland' (2018), accessible at: <https://www.artisansdelatransition.org/assets/swiss-national-bank-investments-artisansdelatransition-report2.pdf>.

<sup>51</sup> <https://www.bafu.admin.ch/bafu/en/home/topics/climate/info-specialists/climate-and-financial-markets.html#:~:q=climate&lang=en&id=1822755182>

<sup>52</sup> <http://fossil-free.ch/fossil-free/campaign/?reference=30983942-0b60-41bf-936b-5fe528bd2682&lang=en>.

attainable standards of health and to be protected from the climate-related infringements of their human rights.

## **6. Conclusion & Recommendations**

In light of the information provided in this parallel report, we encourage the Committee on Economic, Social and Cultural Rights to adopt the following recommendations with respect to Switzerland:

- **Recommends that Switzerland's brings it climate policies in line with its human rights obligations under the Covenant and with its climate commitments, by significantly reducing its greenhouse gas emissions, particularly those resulting from the road transportation and aviation sectors, in line with a pathway of compatible with a limitation of global warming to 1.5°C.**
- **Recommends that Switzerland adopts and implement policies that ensure that publicly and private investments are compatible with the need to reduce urgently emissions of greenhouse gases, including by divesting assets away from carbon-intensive industries, and that public and privately owned financial actors are held accountable for climate-related harm they generate both domestically and extraterritorially.**