

Annual monitoring report: Switzerland's Maritime Strategy

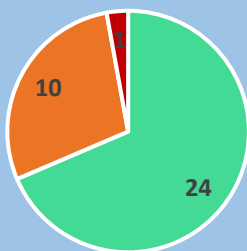
June 2023 – June 2024

The Maritime Strategy (2023–27) was adopted by the Federal Council on 2 June 2023. It is structured around five thematic priorities, which are subdivided into objectives and measures. In total, the strategy comprises 15 objectives and 35 measures.

The Federal Council has instructed the Federal Department of Foreign Affairs (FDFA) to assess progress on implementing the strategy on a yearly basis, and to involve the competent offices and other stakeholders in this process. To this end, the FDFA distributed questionnaires to gather information on the activities conducted to implement each of the strategy's measures, along with the challenges encountered. Finally, progress on implementing each of the measures was also assessed using the traffic-light method (evaluation by competent offices). The results of this process are presented in this report.

Progress on the strategy's 35 measures

Key



Green: Activities to implement these measures are progressing as anticipated, without any major problems.

Orange: Activities to implement these measures have encountered problems or delays that must be closely monitored.

Red: Activities to implement these measures have encountered serious problems or delays requiring special attention.

Measures rated "orange" and "red" require special attention and are a priority, as the implementation of each measure is crucial to the success of the maritime strategy.

Main activities carried out by thematic priority

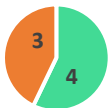
The majority of measures (24) in the Maritime Strategy are progressing as anticipated and have been rated as 'green'. In the interests of brevity, only a selection of these activities are presented below, classified by thematic priority. The progress of the measures in each thematic priority is indicated using a pie chart. An overview of the remaining challenges is presented in the second part of the report.

1. Rules-based maritime order (international law)

- Participation in a range of negotiations – including those of the International Maritime Organization (IMO) and the International Seabed Authority (ISA), as well as those leading to the adoption of an international legally binding instrument under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction (BBNJ Agreement).
- Ratification of 2009 amendments to the London Protocol. From 2024, CO₂ can be exported abroad for sub-seabed storage.
- Exploitation of synergies by promoting networking between international maritime stakeholders based in Geneva (e.g.: course on 'Protection at sea' from the United Nations High Commissioner for Refugees (UNHCR) and the International Organization for Migration (OIM)) and through projects such as the Global Resource Information Database's Global Sand Observatory, or the new Centre for Humanitarian Action at Sea of the Geneva Center for Security Policy (GCSP).
- Expression of interest from Switzerland to host the secretariat of the new Science Policy Panel on Chemicals, Waste, and Pollution Prevention, and of the new global treaty on marine plastics.
- Signalisation of the willingness to implement possible projects with the maritime sector, as a host state, in line with the priorities of the 'Dispatch on measures required to reinforce Switzerland's role as a host state in the period 2020–23'.

2. Maritime economy

- New free trade agreements contain commitments on maritime transport. These include agreements between the European Free Trade Association (EFTA) and Moldova, and between EFTA and Chile. The agreement signed with India also contained rules on maritime employees, as well as market access commitments relating to international transport and access to ports.
- Switzerland has already concluded more than 100 agreements against double taxation. A new agreement signed by Switzerland and Ethiopia to avoid double taxation on income entered into force in 2023.





3. Marine environment and social issues

- In January 2023, Switzerland became the first member of the World Trade Organization (WTO) to ratify the WTO's Agreement on Fisheries Subsidies. The second wave of negotiations, regarding additional rules on overcapacity and overfishing, are at an advanced stage and should conclude shortly.
- Active participation in negotiations on a range of environmental challenges with an impact on the oceans. These include negotiations on the new international legally binding agreement to end plastic pollution, as well as the IMO's strategy on the reduction of greenhouse gas emissions from ships.
- Chairing the Aboriginal Subsistence Whaling Sub-Committee, which is responsible for issues that arise within the International Whaling Commission (IWC) with regard to whale hunting by indigenous people.
- Study on the possibility of ratifying the international legally binding instrument under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable Use of Marine Biological Diversity of Areas beyond National Jurisdiction (BBNJ Agreement).
- Preparation of an update to the Swiss Biodiversity Strategy and Action Plan based on the new Kunming-Montreal Global Biodiversity Framework.
- Development of the Federal Council's position on a moratorium on deep seabed mining. Representation of this position in ISA negotiations and in Switzerland's support for requests to adopt a general ISA environmental policy.
- Active participation in the work of the International Commission for the Protection of the Rhine (ICPR) to sustainably manage and restore the waters of the river, which flows into the North Sea.
- In the context of the UN Convention on the Protection and Use of Transboundary Watercourses and International Lakes: development of various documents on the joint financing of projects to adapt to climate change, and on the allocation of water resources in a transboundary context.



4. Marine scientific research

- SNSF support for nine projects in oceanography (CHF 7.7 million) and 60 projects in hydrology, limnology and glaciology (CHF 34.8 million).¹ Support for the Swiss Polar Institute in the period 2021–24 (CHF 4 million).² Financing these institutions enables a range of activities to be carried out, such as coordinating and representing all Swiss institutes conducting oceanographic research; organising meetings, workshops, training and research in the field of oceanography; supporting research opportunities; and providing temporary infrastructure for polar research.
- Participation in meetings and working groups as part of the Arctic Council. Participation in meetings of the Antarctic Treaty, as well as monitoring of applications by Canada and Belarus to be made consultative parties to the treaty.
- Participation in the annual meeting of the Scientific Committee on Oceanic Research (SCOR) and the Mediterranean Science Commission (CIESM).
- Raising awareness in the Swiss scientific community of the importance of involving indigenous peoples and local communities in all aspects of research undertaken in their communities and on their land.
- Commitment to establishing a science policy panel on chemicals, waste, and pollution prevention.
- Development of guidelines on science diplomacy in cooperation with scientists and academic institutions.
- Diplomatic support for EPFL's Transnational Red Sea Center (TRSC).
- Organisation of an event on the 'Marine science research' section of the Maritime Strategy with interested stakeholders.



5. Swiss flag

- Preparation of a draft act on maritime navigation based on the wishes of all stakeholders. This addresses, inter alia, issues relating to registration requirements for seagoing vessels and international recreational boating, the drafting of extended norms on security and sustainability for commercial maritime and Rhine navigation under the Swiss flag, and reinforcing oversight. It will endeavour to provide robust framework conditions for industry stakeholders.
- Initiation of a study to replace the current solution for registering and managing yachts, small boats and coastal craft. Digitalisation will play a key role in this modernisation process.



¹ Updated 22.05.2024, source: [SNSF Data Portal](#)

² Total sum allocated to the Swiss Polar Institute for this period

Main challenges encountered

Measures assessed as having encountered problems or delays (rated as orange)

The progress of ten other measures was assessed as 'orange'. In the interests of brevity, the list below features one measure rated as orange per thematic priority.

Measure A1.3 Influence relevant bodies, forums and negotiations with a view to safeguarding the rights of landlocked states.

A number of external factors are slowing the implementation of this measure. The EU and the Central Commission for the Navigation of the Rhine (CCNR) continue to search for a 'modus vivendi' that allows harmonisation with EU rules, while maintaining the parallel application of the two sets of standards.

However, it is important to note that this measure is progressing well in other contexts. For example, Switzerland's active involvement in the negotiations taking place under the International Seabed Authority, allows it to influence the relevant bodies, forums and negotiations. This in turn allows it to help implement the rights of landlocked states outside national jurisdiction.

Measure C.3.1 Safeguard at least 30% of the world's marine areas for biodiversity by 2030

The BBNJ agreement contains a framework of measures for the sustainable management of marine areas, including the creation of protected areas. This should help to make 30% of marine areas available for biodiversity by 2030. The DETEC is still reviewing the possibility of ratifying the BBNJ agreement, and is assessing the measures it would take to implement the agreement after ratifying it.

Measure D2.3 Consider upgrading to consultative status under the Antarctic Treaty

The FDFA is examining this issue. However, the treaty meetings are becoming increasingly politicised and it is becoming harder to reach a consensus. Some of the Antarctic Treaty's consultative parties are blocking pending applications. This is a discouraging development in the context of Switzerland's own interest in changing its status.

Measure E1.1 Review conditions of registration for merchant ships and Rhine vessels and for international recreational boating, paying particular attention to nationality and capital requirements.

These points are currently being examined. The Federal Council is initially planning to amend the ordinances for seagoing vessels. Work has now also begun with regard to Rhine vessels.

Measure assessed as having encountered important problems (rated as red)

The implementation of one measure encountered significant difficulties and requires special attention. Suitable solutions are being actively sought. The measure and the problems encountered are described below.

Measure B2.1 Maintain and expand the existing network of double taxation agreements and possibly introduce a tonnage tax.

During the parliamentary procedure, the proposed tonnage tax was rejected. On 28 May 2024, Parliament decided not to proceed with the proposal. Through this parliamentary decision, maintaining an attractive tax regime for the maritime sector – one of the objectives of the strategy – is negatively impacted. This could jeopardise the very existence of the sector in Switzerland, in spite of the jobs and tax revenue it provides, and would make it harder for global players in the sector to maintain large fleets of ships from Switzerland.

Added to this is the clarification of the legal situation under the Federal Direct Tax Act and the Federal Act on the Harmonisation of Direct Taxation at Cantonal and Communal Levels concerning tax exemption for seafarers on board seagoing vessels flying the Swiss flag.

In addition to these concerns, it is becoming increasingly difficult to find financing in Switzerland to acquire ships due to the lack of interested financial institutions and the unfavourable market conditions in the sector.

Discussions are under way with SECO to explore other ways of ensuring competitive taxation.

Annex: Summary table: Assessment of progress on measures

Strategic priority	Objective	Measure	Assessment
A. Rules-based maritime order	A1. Strengthen international law (application, enforcement, further development)	A1.1 Actively participate in the further development of international law in the maritime context.	green
		A1.2 Exercise Switzerland's rights through the International Tribunal for the Law of the Sea and other dispute settlement mechanisms.	green
		A1.3 Influence relevant bodies, forums and negotiations with a view to safeguarding the rights of landlocked states.	orange
	A2. Adopt the body of rules under international law	A2.1 Advance the body of law governing maritime matters, including, in particular, the International Maritime Organization (IMO) and International Labour Organization (ILO) conventions.	orange
		A2.2 Ratify agreements and amended agreements that are aligned with the Sustainable Development Goals under the 2030 Agenda.	orange
	A3. Strengthen Geneva as a location for organisations operating within the maritime sector	A3.1 Exploit synergies by promoting networking between Geneva-based international maritime actors in relation to global trade, intellectual property, the environment, peace and security, humanitarian aid, human rights and healthcare.	green
A3.2 Adopt an attractive host state policy with a view to creating optimum locational conditions for organisations operating in the maritime sector.		green	
B. Maritime economy	B1. Improve market access for international maritime services	B1.1 Improve market access for maritime services by participating in multilateral regulatory forums or negotiating free trade agreements.	green
	B2. Maintain an attractive tax regime	B2.1 Maintain and expand the existing network of double taxation agreements and possibly introduce a tonnage tax.	red
C. Marine environment and social issues	C1. Participate in international instruments in the areas of marine biodiversity, plastic pollution and decent employment	C1.1 Negotiate an international instrument to end plastic pollution throughout the life cycle of plastics.	orange
		C1.2 Strengthen the targets to reduce GHG emissions of maritime shipping to net-zero by 2050 as part of the revision of the IMO Greenhouse Gas Strategy.	green
		C1.3 Ensure decent employment in the maritime sector in the framework of the Maritime Labour Convention (ILO-MLC 2006).	green
	C2. Provide a safe and sustainable marine food chain	C2.1 Step up monitoring to ensure that marine resources are exploited lawfully and sustainably, in particular under the auspices of the FAO's Committee on Fisheries (COFI), the International Whaling Commission (IWC) and other managing authorities.	green
		C2.2 Support trade measures in the context of species conservation.	green
		C2.3 Support the right of indigenous peoples and local communities to exploit whales and other marine resources, subject to biological criteria.	green
	C3. Strengthen sustainability standards in the use of marine resources	C3.1 Safeguard at least 30% of the world's marine areas for biodiversity by 2030.	orange
		C3.2 Implement relevant targets under the Kunming-Montreal Global Biodiversity Framework.	green
		C3.3 Develop stringent environmental standards for deep-sea mining and consider a moratorium on commercial deep-sea mining.	green
	C4. Protect Switzerland's transboundary rivers that flow into the sea	C4.1 Emphasise the importance to Switzerland of managing transboundary rivers that flow into the sea.	green
		C4.2 Reconcile interests between upstream and downstream countries when entering into and developing international treaties.	green
	D. Marine scientific research	D1. Strengthen Swiss science in international ocean bodies	D1.1 Promote marine research through the competitive project funding schemes of the Swiss National Science Foundation (SNSF).
D1.2 Maintain funding through committees and contributions from the academic community and by supporting research bodies of national importance (SPI). Research bodies are selected in line with the conditions laid down in federal research and innovation legislation.			green
D2. Position Switzerland as part of the polar community		D2.1 Use Switzerland's Arctic Council observer status to promote international scientific research, the conservation and sustainable use of natural resources, dialogue among nations and dialogue with indigenous peoples' organisations.	green
		D2.2 Promote a 'science diplomacy culture' by facilitating fruitful interaction between science and politics	green
		D2.3 Consider upgrading to consultative status under the Antarctic Treaty	orange
D3. Strengthen research shipping		D3.1 Ensure that the Swiss research community can exploit synergies to the full by facilitating access to research vessels and platforms.	green
		D3.2 Participate in international expeditions and projects and lend political support to research vessels sailing under the Swiss flag.	green
E. Swiss flag	E1. Ensure competitive conditions of registration for merchant ships and Rhine vessels and updated regulations for international recreational boating	E1.1 Review conditions of registration for merchant ships and Rhine vessels and for international recreational boating, paying particular attention to nationality and capital requirements.	orange
		E1.2 Develop comprehensive safety and sustainability standards for merchant ships and Rhine vessels sailing under the Swiss flag, maintaining a clear distinction between shipping licences and registration.	orange
		E1.3 Ensure compliance with international rules.	green
	E2. Improve oversight and sanctioning	E2.1 Tighten up regulatory requirements (monitoring and reporting obligations) and administrative capacity to initiate corrective action and impose penalties.	green
		E2.2 Establish a coherent and effective inspection scheme to safeguard the quality of the flag.	green
	E3. Provide a service-oriented public authority for the maritime sector	E3.1 Attractive cost-benefit ratio for the Swiss flag.	orange
		E3.2 Provide fast, high-quality digital services (e-government).	green
E3.3 Communicate the benefits of the Swiss flag through appropriate means.		orange	