



# ECONOMIC FRAMEWORK

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Free competition and trade and the protection of intellectual property are the cornerstones of economic success and make Switzerland attractive to both domestic and foreign companies. Efficiently organized administrative processes guarantee security for planning and day-to-day operations, while progressive environmental laws promote sustainability.

Switzerland is an extremely attractive location for global companies. The main reason for this is its liberal economic environment and an economic policy based on the free market.

Switzerland has greater economic freedom than any other country in Europe. Globally, it's in fourth place, as confirmed by the annually published Economic Freedom of the World study (cf. Fig. 13). This index measures a country's economic liberty in five areas: extent of government activity, legal structure and security of property rights, currency stability, freedom to trade internationally, and level of regulation.

### Economic Freedom, 2014

Overall score 0 – 10

(FIG. 13)

1	Hong Kong SAR	9.03
2	Singapore	8.71
3	New Zealand	8.35
<b>4</b>	<b>Switzerland</b>	<b>8.25</b>
5	Canada	7.98
5	Georgia	7.98
5	Ireland	7.98
5	Mauritius	7.98
5	United Arab Emirates	7.98
10	Australia	7.93
10	United Kingdom	7.93
12	Qatar	7.91
16	USA	7.75
21	Denmark	7.67
23	Luxembourg	7.65
25	The Netherlands	7.63
30	Germany	7.55
32	Belgium	7.51
40	Japan	7.42
57	France	7.30
69	Italy	7.17
102	Russia	6.66
112	India	6.50
113	China	6.45
124	Brazil	6.27

Source: Fraser Institute, Economic Freedom of the World: 2016 Annual Report

### 3.1 INTERNATIONAL EXCHANGE OF GOODS AND SERVICES

The Swiss economy is characterized by a high degree of international integration, with half of the country's GDP generated abroad. This is only possible thanks to the highly effective cross-border movement of goods and people.

#### 3.1.1 Free Trade Agreements, WTO, and Elimination of Trade Restrictions

In addition to the EFTA Convention and the Free Trade Agreement with the European Union (EU), Switzerland currently has a network of 28 free-trade agreements with 38 partners outside the EU and is also a member of the WTO. It applies the most-favored-nation clause in trade with all WTO member states and is generally committed to eliminating trade restrictions worldwide.

In joining the WTO Switzerland has also undertaken to convert most non-tariff trade barriers into customs duties. Apart from a few exceptions (primarily agricultural products), domestic products are not protected against international competition. There is no actual anti-dumping law. There are essentially no volume restrictions on the importation of processed products. Imports and exports of industrial goods basically enjoy full duty and quota exemption on the European markets thanks to the free trade agreements with the EU and EFTA. Duty and quota exemption does not mean that customs clearance is not necessary, but this is not an obstacle. Thanks to PCs and the Internet it is now a largely automated process conducted via the IT applications e-dec and NCTS.

[www.seco.admin.ch](http://www.seco.admin.ch) > Topics > Foreign trade  
Free trade agreements (WTO)  
Languages: German, English, French, Italian

#### 3.1.2 Customs and Excise

Although Switzerland has been a member of the Schengen Area since the end of 2008, it is not part of the European Customs Union and the internal market. As a result, customs controls remain in place. The most important document for customs clearance is the customs declaration, which must be accompanied by the exporter's invoice (indicating the weight) and proof of origin, where necessary. A certificate of origin is required in order to benefit from preferential duty rates within the scope of free trade agreements or the Generalized System of Preferences (developing countries) or if the goods are to be re-exported and the origin is to be passed on.

Unlike most other countries Switzerland uses a system of customs clearance based on gross weight. This so-called specific customs duty is therefore levied on products for which no exemption from duty is granted. Swiss customs duties are usually lower than those of other countries. This system favors the import of high-quality technical components, which weigh very little but are extremely valuable.

In line with other countries, Switzerland levies taxes and duties at its borders, such as the automobile tax, tobacco and beer tax, mineral oil tax, the CO<sub>2</sub> levy, the VOC incentive tax, and the mileage-related heavy vehicle toll (MRHVT). At a standard rate of 8%, VAT is much lower than in neighboring countries (Germany: 19%, France: 20%, Austria: 20%, Italy: 22%).

Goods that are only intended to be held temporarily in Switzerland in intermediate storage can be stored without customs clearance and duty unpaid in bonded warehouses. The goods are therefore in transit between the border and the bonded warehouse. The subsequent exportation of the goods is then subject to the customs tariff of the importing country. The goods so stored may not be processed, or they become liable for normal customs clearance. Bonded warehouses are public facilities. They are operated by private warehousing companies and are open to all interested parties. Open bonded warehouses, meanwhile, are used for storing goods that have not been cleared through customs on a company's own premises, but separately from domestic goods. They are usually operated by shipping companies and are becoming increasingly important.

Used household effects of people moving to Switzerland that are intended for their continued personal use are exempt from customs duty. At the time of importation, the completed official form must be submitted to the Swiss customs office. Clearance of household effects must take place during customs office opening hours (see chapter 13.2.1).

[www.seco.admin.ch](http://www.seco.admin.ch) > Topics > Foreign trade  
Information about foreign trade  
Languages: German, English, French, Italian

[www.zoll.admin.ch](http://www.zoll.admin.ch)  
Information about customs  
Languages: German, English, French, Italian

[www.s-ge.com/exporthelp](http://www.s-ge.com/exporthelp)  
Information about exports and customs tariffs worldwide  
Languages: German, English, French, Italian

### 3.1.3 Rules of Origin

Raw materials and component parts that are imported from third countries can acquire Swiss-origin status and consequently be delivered tax-free to countries which have signed the free trade agreement (e.g. the agreement with the EU), if they have been sufficiently processed in Switzerland within the scope of the relevant free trade agreement. In many situations this is the case if the added value created in Switzerland is between 60% and 80% of the finished product's selling price (depending on the product).

This regulation is of interest because high-quality products often have a low weight but a high product value. They can therefore be imported cheaply into Switzerland, be processed and then be exported to countries with tariff preference, with which there is a free trade agreement. If, for example, goods are imported in this way from a country outside the EU/EFTA area and transformed in Switzerland in such a manner that they acquire Swiss-origin status, no duty is normally payable when the goods are exported to an EU/EFTA country.

[www.zoll.admin.ch](http://www.zoll.admin.ch) > Information companies > Exemptions > Exportation  
Information about origin  
Languages: German, English, French, Italian

## 3.2 PROTECTION OF FREE COMPETITION

Switzerland's economic system is based on the principles of the free market. Free and fair competition is strengthened by the Cartel Act, which has been largely harmonized with EU regulations since 1995, in which cartels are not illegal but abuses are prosecuted. The Internal Market Act ensures greater competition and the elimination of protectionist regulations at cantonal and municipal level. The Competition Commission can intervene if there are grounds for suspecting unacceptable restrictions on competition. It also investigates whether mergers have negative effects on free competition and supplies the authorities with recommendations on promoting effective competition.

**“With 7,088 patent applications in 2015, Switzerland outstrips any other country in terms of the number of applications per inhabitant.”**

### 3.3 PROTECTION OF INTELLECTUAL PROPERTY

The protection of intellectual property rights is well developed in Switzerland. A comprehensive system of patent, trademark, design and copyright protection guarantees that the results of innovation and creativity are protected at national and international level.

Patent applications and trademark or design registrations can be submitted to the Swiss Federal Institute of Intellectual Property (Eidgenössisches Institut für Geistiges Eigentum, IGE) in Bern.

The IGE, the agency responsible for commercial property rights and copyrights, is a center of competence for all aspects of patents, trademarks, designs, topographies of semiconductor products, copyrights, and other related property rights. Initial information about property rights registered in Switzerland can be accessed via the IGE's own electronic property rights register. As a member of the WTO, Switzerland implements the provisions of the WTO/TRIPS Agreement.

The IGE makes information from the trademark, patent, and design register and on protected topographies available free of charge in the Swissreg database. Swissreg contains Swiss trademarks and applications for registration, but not international trademarks that could also lead to protective consequences in Switzerland. These international trademarks are registered with the World Intellectual Property Organization (WIPO) in Geneva.

**www.ige.ch**  
Swiss Federal Institute of Intellectual Property (IGE)  
Languages: German, English, French, Italian

**www.kmu.ige.ch**  
Information specifically for SMEs  
Languages: German, English, French, Italian

**www.ige.ch > Service**  
Information for innovators and creative individuals  
Languages: German, English, French, Italian

**www.swissreg.ch**  
Database of Swiss protective titles  
Languages: German, English, French, Italian

**www.wipo.int**  
World Intellectual Property Organization (WIPO)  
Languages: German, English, French, Spanish, Chinese, Russian, Arabic.

#### 3.3.1 Patents

Switzerland is one of the most active countries in terms of patent applications. In 2015, it ranked sixth in the world and came in fourth place in Europe with 7,088 applications. In terms of the number of applications per inhabitant, it outstrips any other country.

Inventions that solve a technical problem by technical means can be protected with a patent. To be eligible for a patent, the invention must fulfill three basic criteria:

- **Industrial applicability:** the invention must be commercially usable, actually realizable and repeatable.
- **Novelty:** an invention is considered novel when it is not already state-of-the-art.
- **Non-obviousness:** the invention must not be obvious to someone with knowledge and experience in the subject.

Ideas, lottery or accounting systems, therapeutic, diagnostic or surgical procedures on humans or animals and plant species, among other things, cannot be patented. Furthermore, inventions which violate public policy or morality (e.g. certain biotechnological inventions) cannot be patented.

There are three ways to protect an invention with a patent application effective in Switzerland:

- **Swiss patent:** with national registration, the patent protection extends to Switzerland and the Principality of Liechtenstein. National applications can be submitted to the IGE in any language. A translation in German, French or Italian must, however, be submitted within a deadline, if the application is not made in one of these three languages.
- **European patent:** the European Patent Convention (EPC) enables applicants to obtain protection in the member states of the EPC, including Switzerland, through a standardized patent investigation and granting procedure.
- **International patent:** the Patent Cooperation Treaty (PCT), which Switzerland has ratified, enables inventors to submit an international application which then has the same effect as a national application in all named member states. International applications can be submitted to the IGE in English.

It takes an average of three to five years between the filing of a national application and the granting of the patent. An accelerated process is possible upon request. Patents expire after a maximum of 20 years.

A patent costs CHF 200 for the application and CHF 500 for the patent check. Annual renewal fees are payable starting four years after the date of filing.

As the IGE does not check the criteria regarding novelty and non-obviousness, it is recommended to engage a specialist (e.g. a patent lawyer) before applying for a patent. Both criteria can also be checked after the patent application through optional research into the current state of the art.

**www.ige.ch**  
Swiss Federal Institute of Intellectual Property  
Languages: German, English, French, Italian

**www.epo.org**  
European Patent Office  
Languages: German, English, French

## Property Rights at a Glance

(FIG. 14)

	BRAND PROTECTION	PATENT PROTECTION	PROTECTION OF DESIGNS	COPYRIGHT <sup>2</sup>
<b>What is protected?</b>	Registered trademark protected against misuse by third parties	Inventions, i.e. technical solutions to a technical problem	The form and external design of an object	Literary and artistic works (including computer programs)
<b>How is protection obtained?</b>	Trademark entered in trademark register	Patent of invention is issued	Design entered in design register	Automatically when the object is created
<b>Minimum requirements</b>	<ul style="list-style-type: none"> <li>- Does not infringe older third-party rights</li> <li>- Distinctive</li> <li>- Non-descriptive</li> <li>- Does not violate public policy or morality</li> </ul>	<ul style="list-style-type: none"> <li>- Novelty</li> <li>- Industrial applicability</li> <li>- Non-obviousness</li> <li>- Disclosure of invention</li> </ul>	<ul style="list-style-type: none"> <li>- Novelty</li> <li>- Overall visual appearance must be significantly different from existing designs</li> <li>- Does not violate public policy or morality</li> </ul>	Intellectual creations of literature and art with an individual character
<b>Not available for</b>	<ul style="list-style-type: none"> <li>- Simple symbols</li> <li>- Acronyms</li> <li>- Factual statements or descriptions</li> <li>- Emblems</li> <li>- and others</li> </ul>	<ul style="list-style-type: none"> <li>- Animal species, plant varieties</li> <li>- Diagnostic, therapeutic or surgical procedures on humans or animals</li> <li>- Use does not violate public policy or morality</li> <li>- Certain biotech inventions</li> </ul>	<ul style="list-style-type: none"> <li>- Exclusively technical functions</li> <li>- Ideas, concepts</li> <li>- Anything that violates federal law (e.g. emblem law) or treaties</li> </ul>	<ul style="list-style-type: none"> <li>- Content (ideas, concepts)</li> <li>- Laws, official decrees</li> <li>- Decisions of public authorities</li> <li>- Means of payment</li> <li>- Patent specifications</li> </ul>
<b>Excluded from protection</b>	When mark is not used as a trademark	Private use, research, and teaching		Private use, quotations, backup copies, reporting
<b>Scope of protection</b>	Defined by the mark and the Goods and Services List	Defined by patent claims	Defined by the illustration	Defined by the actual work
<b>Duration of protection</b>	10 years (unlimited extensions possible)	Max. 20 years	5 years (4 x 5-year extensions possible): max. 25 years	70 years after death of creator (50 years for computer programs)
<b>Common symbols or indications</b>	<ul style="list-style-type: none"> <li>- ® for registered trademark</li> <li>- ™ for trademark</li> <li>Use is optional</li> <li>Misuse is punishable</li> </ul>	<ul style="list-style-type: none"> <li>+pat+; pat. pend. (patent applied for)</li> <li>Use is optional</li> <li>Misuse is punishable</li> </ul>	<ul style="list-style-type: none"> <li>mod. dép.</li> <li>Use is optional</li> <li>Misuse is punishable</li> </ul>	©, "Copyright", "All rights reserved", "Alle rechte vorbehalten", "Tous droits réservés" or similar note Use is optional
<b>Application fee (CH)<sup>1</sup></b>	CHF 550	CHF 200 (application) CHF 500 (optional search) CHF 500 (check)	CHF 200 (basic fee) including publication of an illustration	None
<b>Extension (CHF)<sup>1</sup></b>	CHF 700 (10 years)	CHF 100 for the 4th year, then the fee increases by CHF 50 each year (CHF 150 for the 5th year etc.)	CHF 200 (5 years)	None
<b>Additional information</b>	No check of older property rights carried out in Switzerland (trademark search recommended)	No check of novelty and non-obviousness carried out in Switzerland (patent search recommended)	<ul style="list-style-type: none"> <li>- Publication may be delayed for 30 months</li> <li>- No check of novelty carried out in Switzerland</li> </ul>	Collecting societies: SUISA, SUISSIMAGE, ProLitteris, SSA, SWISSPERFORM

<sup>1</sup> Excludes possible costs when using a specialist.

<sup>2</sup> The Copyright Act also covers allied rights of practicing artists, manufacturers of audio and video storage media and broadcasters.

Correct at: February 2016. Subject to change. Please refer to [www.ige.ch](http://www.ige.ch) for the most up-to-date information.

Source: Swiss Federal Institute of Intellectual Property (IGE)

### 3.3.2 Trademarks

Trademarks are symbols which allow the products of one company to be differentiated on the market from those of other companies, thereby allowing consumers to find a product they appreciate among the mass of products on offer. A symbol can be registered as a trademark if

- it is recognized by the public as referring to a company and its registration does not restrict competitors in their economic development to an unacceptable degree; it does not feign characteristics that the product does not have; it does not violate public policy, morality, or the applicable legislation.

The IGE investigates, within the scope of the application process, whether these requirements have been met. It does not check whether other symbols, which it could be mistaken with, have already been entered into the register, or whether any third-party rights exist, which could be violated by the trademark application. It is therefore recommended that a search be performed with the IGE or a private provider before registering a trademark. The registration with IGE only applies to Switzerland. The following options are available for protecting the trademark abroad:

- The national registration of the trademark in the relevant countries
- The registration of the trademark as an (EU) Community Trade Mark with protection in all member states of the EU.
- International registration under the Madrid system: on the basis of a national trademark, the trademark owner can register its trademark in individual signatory countries of its choice, with a single application to the World Intellectual Property Organization (WIPO) in Geneva, the assessment of protectability being carried out by the registration authorities in the respective countries.

In Switzerland, trademark applications can be submitted electronically. The registration fee is CHF 550 (plus any class fees). If the symbol meets the protection requirements, it is normally registered within a maximum of six months. The ten-year trademark protection resulting from the registration can be extended by paying an extension fee as many times as desired every ten years.

[www.ip-search.ch](http://www.ip-search.ch)  
Trademark search  
Languages: German, English, French, Italian

[www.e-trademark.ige.ch](http://www.e-trademark.ige.ch)  
Trademark registration  
Languages: German, French, Italian

[www.ige.ch/ma-berater](http://www.ige.ch/ma-berater)  
Trademark consultants  
Languages: German, English, French, Italian

### 3.3.3 Design

Design appeals to the senses, triggers emotions, and creates identification and distinction. As a result design has also become a decisive market factor and forgeries are correspondingly common. New, commercially manufactured two-dimensional or three-dimensional designs of an aesthetic nature can be protected by means of registration. The registration process for a design is simple, fast and cheap. A design can be protected for a maximum of 25 years (comprising five 5-year periods). Based on the Hague Agreement Concerning the International Registration of Industrial Designs, designs and models can also be registered internationally. Because Switzerland has ratified this agreement, the registrant acquires protection for Switzerland as well.

[www.s-ge.com/product-design](http://www.s-ge.com/product-design)  
Facts and figures on product and industry design in Switzerland  
Languages: German, English, French, Italian, Spanish, Portuguese, Russian, Chinese, Japanese

[www.ige.ch](http://www.ige.ch) > Designs > Protection in Switzerland  
Protection of designs  
Languages: German, English, French, Italian

### 3.3.4 Copyright

Intellectual creations of literature and art with an individual character can be protected by means of copyright. This includes literature, music, pictures, sculptures, films, operas, ballets, and mimes, as well as computer programs. A work is protected by copyright as soon as it is created. There is no requirement to apply for protection or lodge the work, and no register exists. In Switzerland, copyright protection generally expires 70 years after the death of the creator, except for computer programs, which are only protected for 50 years.

### 3.4 PRODUCT REGULATIONS AND PRODUCT LIABILITY

For reasons of health and safety, environmental and consumer protection and to comply with international and national standards, medicines, cosmetics, cleaning agents, electrical appliances, measuring and weighing equipment, heating systems, pressure containers, and motorcycles, as well as other products, are subject to certain regulations when imported into and sold in Switzerland.

The law regulates which particular conformity assessment procedures shall apply, depending on the product's hazard potential. The procedures range from self-checks (e.g. for machines) to assessments by officially approved independent conformity assessment centers (e.g. for pressure containers) to government licensing (e.g. for medicines).

These days most countries impose a raft of technical regulations and very few products escape the net. At the federal level in Switzerland, these regulations are contained in more than 30 laws and more than 160 ordinances. In addition, some technical regulations still exist at cantonal level.

Mutual recognition agreements (MRAs) are a politically important tool for removing technical trade barriers in the state-regulated sector and are recognized by the World Trade Organization. If the product regulations in two states are of a comparable standard, a conformity assessment conducted under the exporting country's regulations is sufficient to allow the product to be distributed in the other country. Switzerland's MRA with the European Union is the most economically important example (CE marking [Conformité Européene]).

The health and safety requirements for products are determined by laws and ordinances. With regard to product safety, Switzerland has largely adopted the regulations of the European Union (EU), so that no major market barriers exist in this area for exports and imports to and from the EU.

In addition, since July 1, 2010, the so-called Cassis de Dijon principle has applied to the EU. According to this principle, many products from the EU/EEA, which previously had to be produced, repacked or relabeled solely for the Swiss market, can now be imported more easily and without technical obstacles. The condition for this is that the products meet the regulations of the relevant EU or EEA country and were circulated there lawfully.

Swiss product liability regulations are largely comparable with those in the European Union – the manufacturer is liable for damage caused by defective goods, irrespective of whether the manufacturer himself is negligent. In Switzerland, liability applies to all products put into circulation from 1994 onwards.

The following sections give further details on the regulations relating to a number of important product categories. However, due to the large number of laws and ordinances in existence, it is essential to seek detailed information in specific cases.

[www.seco.admin.ch](http://www.seco.admin.ch) > Employment > Product safety  
Product safety regulations  
Languages: German, French, Italian

[www.seco.admin.ch](http://www.seco.admin.ch) > Topics > Foreign trade  
Technical trade barriers  
Languages: German, English, French, Italian

[www.snv.ch](http://www.snv.ch) > Services > Switec Infocenter  
Standards: switec - Swiss information center for technical regulations  
Languages: German, English, French

[www.seco.admin.ch/sas](http://www.seco.admin.ch/sas)  
Accreditation: Swiss Accreditation Service (SAS)  
Languages: German, English, French, Italian

#### 3.4.1 Foodstuffs

The Swiss Ordinance on the Identification and Pricing of Foodstuffs (LKV) contains strict regulations on the information that must be declared. All ingredients must be named and listed on the packaging or labels of pre-packed foodstuffs in descending order of quantity. Foodstuffs which are not defined in a federal ordinance must be approved by the Swiss Federal Office of Public Health (FOPH). FOPH approval is mandatory for foodstuffs, additives, and processing agents which are genetically modified organisms (GMOs), contain such or have been obtained from such, and which are intended for sale to consumers. The presence of GMOs is tolerated if they do not constitute more than 0.9%. All other products require approval. Nutritional values and health-related information must comply with legal requirements as per the Foodstuffs Identification Ordinance (LKV). It is forbidden to market foodstuffs as having a therapeutic effect. Products with a therapeutic effect are medicines and must be approved by Swissmedic (see section 3.4.2).

For foodstuffs, parliament has passed a special resolution relating to the Cassis de Dijon principle: foreign foodstuffs that do not fully satisfy Swiss technical regulations must be approved by the Swiss Federal Office of Public Health (FOPH).

[www.bag.admin.ch](http://www.bag.admin.ch) > Topics  
Information from the Swiss Federal Office of Public Health (FOPH)  
Languages: German, English, French, Italian

[www.slmb.bag.admin.ch](http://www.slmb.bag.admin.ch)  
Swiss Food Manual (SLMB)  
Languages: German, French



### 3.4.2 Pharmaceutical Products

The manufacture and sale of medicines is subject to mandatory licensing in Switzerland. It takes around 11 months to license a new pharmaceutical product with Swissmedic, the Swiss Agency for Therapeutic Products (excluding the company's internal processing time), making Switzerland's registration process one of the fastest in the world. Normal evaluation of a license application for a human medicine with a new active ingredient costs CHF 70,000 (CHF 105,000 with the fast-track process).

The licensing requirements largely correspond to those in the EU, which makes it easier to apply for licensing in Switzerland and the EU simultaneously. Swiss registration enjoys high international standing, thanks to the country's exceptional scientific reputation, its strict criteria, and the large number of renowned hospitals for clinical testing. The fast-track process enables fast licensing decisions to be made (within 140 days, excluding the company's internal processing time) for vital medicines (e.g. to treat AIDS or Alzheimer's), despite rigorous testing.

[www.swissmedic.ch](http://www.swissmedic.ch)  
Swiss Agency for Therapeutic Products  
Languages: German, English, French, Italian

### 3.4.3 Medical Devices

In Switzerland the regulation of medical devices is mainly based on the Federal Law on Medical Products and Medical Devices (HMG), the Medical Devices Ordinance (MepV) and the Ordinance on Clinical Tests with Therapeutic Products (VKlin). The same regulations for medical devices apply in Switzerland as in the EU. Bilateral contracts thereby enable free trade in medical devices produced by Swiss manufacturers within the European Union, EFTA member states, and Turkey. A medical equipment supplier that wishes to sell its product in Switzerland must be able to prove to the authorities that the product meets the fundamental requirements of EU directives and has undergone a suitable conformity assessment procedure in accordance with EU directives.

Medical devices bearing the CE mark from a recognized European test center are also deemed to comply with Swiss law, provided all the product information is provided in three languages (German, French and Italian). A manufacturer in Switzerland may use the CE mark on its medical devices and sell them on the Swiss market or export them to the EU, EFTA or Turkey. Some of these states also demand the registration of certain medical devices and their manufacturers with national authorities, in addition to the CE marking. Some non-EU states demand export certificates from the country of origin for medical devices. Swiss companies can order these certificates from Swissmedic.

[www.swissmedic.ch](http://www.swissmedic.ch) > Medical products > Guideline & medical products-cycle  
Guide to medical device regulation  
Languages: German, English, French

**“With regard to product safety, Switzerland has largely adopted the regulations of the EU, so that no major market barriers exist in this area for exports and imports to and from the EU.”**

## 3.5 LAND USE PLANNING AND ENVIRONMENTAL PROTECTION

### 3.5.1 Building and Zoning

Thanks to progressive legislation on land use planning and environmental protection, densely populated economic areas can exist in harmony with rural and agricultural land. The high population density has always promoted both environmental awareness and building development. Service and industrial buildings are erected in special zones. Building and zoning regulations are governed by cantonal law, and a building permit must be obtained. The duration and scope of this process depend on the type of investment being planned. In the interests of occupational safety, industrial buildings, for example, require both planning consent and an operating license.

For straightforward building projects, such as commercial/industrial projects with no particular level of difficulty or requirement for supplementary investigations or special approvals, the process usually takes two to three months. This assumes that there are no grounds for appeal or protests. The process may vary from canton to canton.

The cantonal economic development agencies (see Section 15.2) provide information on commercial land development and available commercial buildings, as well as on the necessary administrative steps. They can also initiate and, where necessary, coordinate these steps.

[www.are.admin.ch](http://www.are.admin.ch)  
Federal Office for Spatial Development (ARE)  
Languages: German, English, French, Italian

### 3.5.2 Environment

Swiss environmental legislation largely conforms to EU rules. Environmental law and the protective measures this gives rise to are based on the principle of cooperation. In cooperation with the business community, solutions are developed to meet both economic and environmental considerations. The measures initiated are seen as exemplary around the world. When erecting and operating industrial and commercial sites, there are a variety of federal and cantonal decrees to consider. The federal laws on the protection of the environment, controlling water pollution, and natural and cultural heritage are especially important. The Federal Environmental Protection Act sets out regulations on air and soil contamination, noise, non-ionizing radiation, waste, and environmentally harmful substances. Based on the principles of “precaution” and “polluter pays”, this act requires environmental damage to be kept to a minimum and the costs of preventing damage to be borne by the polluter. Emissions are limited by means of thresholds and regulations on building, equipment, transport, and operations, although the technology to be employed is not prescribed. Companies are granted a specific period of time to undertake remedial action, thereby allowing them to determine how and when they make the necessary investments.

Environmental impact assessments (EIA) are conducted for projects involving the planning, erection or modification of installations that could have a serious impact on the environment. Although these assessments are a tool for protecting the environment, they only apply to specific projects as part of the regular building and planning consent process. Projects that require an environmental impact test are listed in the relevant ordinances. Such projects include transport systems, power generating plants and high-polluting industrial plants.

[www.bafu.admin.ch](http://www.bafu.admin.ch)  
Federal Office for the Environment (FOEN)  
Languages: German, English, French, Italian

[www.bafu.admin.ch/uvp](http://www.bafu.admin.ch/uvp)  
Environmental Impact Assessment (EIA)  
Languages: German, French, Italian