



Annual Report 2023

Successfully sailing into the wind



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1 Foreword

After having stated with great satisfaction in the foreword to last year's annual report that expertise had been in ever-increasing demand in energy policy throughout 2022, I can tell you as a matter of fact when looking back on 2023 that reality is slowly but surely beginning to catch up with political ideas about the energy transition.

For example, the Swiss population approved the climate targets set out in the Paris Agreement when they voted in favour of the Climate Protection Act last June. This was admittedly relatively simple, as a decision was made on only one objective. The measures required to achieve this objective were not covered in the vote. In contrast, the consolidation bill aimed at ensuring a secure power supply has resulted in tensions mounting noticeably amid a reality check. It is now quite clear to everyone that CO₂-free electricity production without using nuclear power plants can pretty much only be achieved with massive impacts having to be made on nature and the countryside, coupled with a comprehensive expansion of the power grid.

In this context, we need to play off climate protection against nature conservation to a certain degree or – to put it more elegantly – a balance has to be found between the two conservation interests. Sooner or later, this rivalry will come to an end with nature conservation ultimately losing out. Failing this, the nuclear option will be thrust back under the spotlight, which will result in considerable direct and indirect cost implications for the government (direct investments or guarantees for power plant operators). It is becoming increasingly apparent that the energy transition will require a major financial outlay and the sacrifice of a number of ideals.

Even in our own field of business, promises made previously as regards policy and administration can no longer be kept. The idea enshrined in the CO₂ Act of limiting the cost of almost completely offsetting the emissions caused by burning fossil motor fuels to 5 centimes per litre has been obsolete at the latest since 1 January 2024. From this date onwards, we have had to increase the fee that the participants in the carbon offset grouping have to pay to cover the costs from 5 to 8 centimes per litre of motor fuel, as otherwise the costs for fulfilling the carbon offset obligation by 2030 would not be able to be covered by the Foundation.

Following the Swiss population's adoption of the climate targets set out in the Paris Agreement, neutral observers would have to assume that people in Switzerland are actually more willing to make sacrifices to combat climate change. This fight has not yet required the Swiss population to give up anything important. It will therefore be interesting to see what happens when the instructions and prohibitions require the first actual and noticeable changes in behaviour to be made.

Daniel Hofer

President of the Foundation for Climate Protection and Carbon Offset KliK

2 Carbon offset obligation in the area of motor fuels

Since 1 January 2013, the Swiss CO₂ Act obliges mineral oil companies that use fossil motor fuels in Switzerland to compensate for part of the CO₂ emissions caused by the use of these fuels. Established in 2012 by the Swiss Petroleum Association (now Avenergy Suisse), the Foundation for Climate Protection and Carbon Offset KliK acts as a carbon offset grouping for fulfilling this carbon offset obligation on behalf of the affiliated mineral oil companies.

To this end, the KliK Foundation must provide evidence of sufficient greenhouse gas reductions from climate protection activities in Switzerland – and, since 2022, to a limited extent also abroad – that meet the legal requirements. For the years 2022, 2023 and 2024, the carbon offset rate is 17%, 20% and 23% respectively; at least 15% of the motor fuel emissions must be offset domestically.

Climate protection activities approved for offsetting are registered by the responsible federal agencies and are issued so-called “attestations” for verified emission reductions. By purchasing such attestations on contractually agreed terms, the KliK Foundation is making a financial contribution that facilitates the implementation of the respective carbon offset activities.

The participants in the carbon offset grouping pay the KliK Foundation a fee in the form of monthly payments on account, which has been 8 centimes per litre of motor fuel since 1 January 2024. The fee serves to cover all costs incurred by the Foundation in connection with the fulfilment of the carbon offset obligation, as well as with any potential instances in which it is not fulfilled. By law, the fuel surcharge imposed at the pump to meet the carbon offset obligation must not exceed 5 centimes per litre of motor fuel.

In its draft revision of the Swiss CO₂ Act submitted to parliament in September 2022, the Swiss Federal Council proposed reducing Switzerland’s greenhouse gas emissions by 35 % on average for the years 2021 to 2030 and by 50 % in 2030 compared to the 1990 levels. One of the central measures for achieving this is the carbon offset obligation for motor fuels.

More specifically, the aim is for the carbon offset rate to stand at up to 90%, instead of the previous rate of up to 40%. If at least 15% of fuel emissions continue to be offset domestically, this means that around 20 million national attestations are expected to be required from 2021 to 2030. As the offsetting surcharge should continue to not exceed 5 centimes per litre of motor fuel sold, the scope for the procurement of international attestations is limited and the carbon offset volume that can be financed depends on the costs per attestation.

The number of national and international attestations that the KliK Foundation will have to provide up until 2030 will only become clear with the entry into force of the CO₂ Act and the associated Swiss CO₂ Ordinance, which is expected to happen on 1 January 2025.

In order to provide a better overview of the carbon offset activities it supports in Switzerland and abroad, the KliK Foundation organises them across the four platforms Transportation, Businesses, Buildings and Agriculture. In the following, the activities are presented according to these platforms.

3 Activities in Switzerland

Transportation Platform	Businesses Platform	Buildings Platform	Agriculture Platform
Biofuels BioFuels Schweiz	Carbon sequestration in Swiss wood products Senke Schweizer Holz	Heating networks KliK Foundation	Reducing laughing gas emissions from nitrogen fertilisation First Climate
Electric and hybrid buses myclimate	Climate-friendly cooling KliK Foundation	Warm water savings myclimate Sinum	Biogas facilities Ökostrom Schweiz
Freight shift from road to rail EnAW	Landfill gas KliK Foundation	Mobile heaters KliK Foundation	Alternative heating for greenhouses myclimate
Electric heavy utility vehicles EnAW	Methane reduction in wastewater treatment plants South Pole	Optimised facility management energo	Electric agricultural loaders KliK Foundation
Optimised tyre pressure AGVS	Laughing gas reduction in wastewater treatment plants INFRAconcept	Heat pumps myclimate Energie Zukunft Schweiz	
Hydrogen mobility KliK Foundation	Industrial heat myclimate	Wood heaters Energie Zukunft Schweiz myclimate	
Electric ships myclimate		Heating control ECCO2	
Electric construction vehicles KliK Foundation		Biocombustibles BioFuels Schweiz	
			Programmes in planning

3.1 Transportation Platform

Programmes in operation

Biofuels

The programme promotes the import and domestic production of biodiesel, hydrogenated vegetable oils (HVO) and bioethanol, provided they meet the requirements for exemption from the mineral oil tax. Operated by BioFuels Schweiz, the programme was registered by the Swiss Federal Office for the Environment in 2014.

373,809 attestations were issued for the year 2022. We expect the delivery of a total of 1.47 million attestations for the production years 2021 to 2024.

It is currently unclear whether and how the use of renewable motor fuels can be promoted within the carbon offset scheme from 2025.

Electric and hybrid buses

The programme covers the replacement of fossil-fuelled buses by purely electrically powered buses without overhead wires (electric buses) and hybrid buses. Only new vehicles are admitted to the programme. Operated by the myclimate Foundation, the programme was registered by the Swiss Federal Office for the Environment in 2014 and successfully revalidated in 2020.

10,733 attestations were issued for the year 2022. We expect the delivery of a total of 350,000 attestations for the production years 2021 to 2030.

Freight shift from road to rail

Operated by the Energie-Agentur der Wirtschaft (the Swiss business community's energy agency, EnAW), the programme covers the shift of freight transport from road to rail. The programme was registered by the Swiss Federal Office for the Environment in 2014 and successfully revalidated in 2020.

207,225 attestations were issued for the year 2022. We expect the delivery of a total of 1.11 million attestations for the production years 2021 to 2030.

Electric heavy utility vehicles

Operated by the Energie-Agentur der Wirtschaft (EnAW), the programme covers the replacement of fossil-fuelled heavy commercial vehicles by purely electric-powered ones. The programme was registered by the Swiss Federal Office for the Environment in 2014 and successfully revalidated in 2020.

No attestations have yet been issued for 2022. We expect the delivery of a total of 6,600 attestations for the production years 2021 to 2030.

Optimised tyre pressure

The programme encourages adjusting the tyre pressure by 0.3 bar above manufacturer recommendations when servicing a vehicle and/or changing tyres in a garage. This reduces rolling resistance and improves fuel consumption. Operated by the Auto Gewerbe Verband Schweiz (Swiss Automobile Trade Association, AGVS), the programme was registered by the Swiss Federal Office for the Environment in 2016 and was successfully revalidated in 2023.

No attestations have yet been issued for 2022. We expect the delivery of a total of 28,100 attestations for the production years 2021 to 2030.

Hydrogen mobility

Especially in the case of heavy commercial vehicles and buses, the combination of fuel cells and hydrogen presents advantages compared to other types of propulsion, provided that the hydrogen is produced from renewable sources and renewable electricity.

The KliK Foundation developed two programmes that were registered by the Swiss Federal Office for the Environment in 2021. The first promotes the purchase or rental of heavy commercial vehicles, the second promotes the purchase of buses for use in public transport and tourist travel. We expect the delivery of a total of 500 attestations for the production years 2023 to 2030.

3.1 Transportation Platform

Electric ships

Operated by the myclimate Foundation, the programme was registered by the Swiss Federal Office for the Environment in 2021. It plans the conversion of diesel-powered ships to electric propulsion. We expect the delivery of a total of 1,240 attestations for the production years 2021 to 2030.

Electric construction vehicles and electric agricultural loaders

The programme developed by the KliK Foundation to promote the use of electrically powered construction vehicles and agricultural loaders was registered by the Swiss Federal Office for the Environment in 2022. We expect the delivery of a total of 3,190 attestations for the production years 2022 to 2030.

Individual projects

Two projects involving the import of biodiesel and bioethanol exempt from mineral oil tax delivered a total of 117,134 attestations for the year 2022. We expect the delivery of a total of 506,000 attestations for the production years 2021 to 2024.

3.2 Businesses Platform

Programmes in operation

Carbon sequestration in Swiss wood products

Until 2021, carbon sequestration in wood used for construction was the only carbon sink to qualify for the issuance of attestations. In this case, the issuance of such attestations is based on the additional production of Swiss wood products compared to the overall sector's expected baseline production trend. Operated by the association Senke Schweizer Holz (Swiss Wood as a Carbon Sink), the programme was registered by the Swiss Federal Office for the Environment in 2014 and successfully revalidated in 2020 and 2023. 463,305 attestations were issued for the year 2022. We expect the delivery of a total of 4.48 million attestations for the production years 2021 to 2030.

Climate-friendly cooling

In Switzerland, there are large numbers of stationary cooling units for industrial and commercial use, such as retail cold chains. Over the course of their life cycle, these cooling units produce significant amounts of refrigerant emissions with a high greenhouse impact. Notwithstanding the existing regulation set out in the Swiss Chemical Risk Reduction Ordinance, significant amounts of emissions can be avoided by providing specific incentives to convert cooling units to climate-friendly refrigerants such as CO₂ or ammonia ahead of schedule.

The KliK Foundation currently operates three programmes that were registered by the Swiss Federal Office for the Environment between 2015 and 2019, and which have been successfully revalidated in recent years: (i) early replacement of stationary HFC cooling units; (ii) climate-friendly small units; (iii) refrigerant switch in HFC units.

28,645 attestations were issued for the year 2021. We expect the delivery of a total of 203,000 attestations for the production years 2021 to 2030.

Landfill gas

There are numerous landfill sites in Switzerland that leak landfill gas containing methane into the atmosphere because methane concentrations are by now so low that the gas can no longer be burned using conventional flares. In most cases, there is no direct requirement to destroy methane emissions any further; yet it is possible to further eliminate emissions using lean gas flares. This can be coupled with insitu aerobisation, in which methane formation is prevented within the landfill body through oxygenation. Operated by the KliK Foundation, the programme was registered by the Swiss Federal Office for the Environment in 2015 and successfully revalidated in 2021.

No attestations have yet been issued for 2022. We expect the delivery of a total of 97,000 attestations for the production years 2021 to 2030.

Methane reduction in wastewater treatment plants

Wastewater treatment plants emit considerable quantities of methane. The main sources are methane slip during biogas processing and emissions from the draining and stacking of sewage sludge. Methane concentrations in these waste air flows are typically too low for energetic use. The revenue from the sale of attestations provides an incentive to capture the methane and destroy it in existing sludge incinerators or cogeneration plants. Operated by South Pole, the programme was registered by the Swiss Federal Office for the Environment in 2014 and successfully revalidated in 2021.

11,300 attestations were issued for the year 2021. We expect the delivery of a total of 150,000 attestations for the production years 2021 to 2030.

3.2 Businesses Platform

Laughing gas reduction in wastewater treatment plants

Considerable emissions of laughing gas (nitrous oxide, N₂O) can occur in wastewater treatment plants. These can be specifically avoided by reducing the nitrogen load in the wastewater. Operated by INFRAconcept, the programme was registered by the Swiss Federal Office for the Environment in 2019 and was expanded in the year under review to include additional new measures.

1,870 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 454,000 attestations for the production years 2021 to 2030.

Industrial heat

The program developed by the myclimate Foundation financially supports companies to install high-temperature heat pumps for industrial processes and low-temperature heat pumps in commercial buildings. It was registered by the Swiss Federal Office for the Environment in September 2023 and launched in December. We expect the delivery of a total of 30,000 attestations for the production years 2024 to 2030.

Individual projects

Landfill gas

No further attestations were issued for 2022 for the project in Ticino. We expect the delivery of a total of 6,500 attestations for the production years 2021 to 2030.

Methane reduction in natural gas transmission

At the Wolhusen site, methane emissions are produced during the operation of valves and four turbo compressors to maintain the pipeline pressure. This methane is channelled into a collector pipeline and transported at a minimum pressure of 0.3 bar into the storage pipeline of the compressor station, from where it is fed back into the supply infrastructure as natural gas. We expect the delivery of a total of 6,400 attestations for the production years 2022 to 2028.

Laughing gas reduction in sewage sludge incinerators

The incineration of sewage sludge generates significant amounts of laughing gas (nitrous oxide, N₂O), which can be thermally destroyed. Two such projects have been registered by the Swiss Federal Office for the Environment. 13,969 attestations were issued for the year 2022. We expect the delivery of a total of 131,000 attestations for the production years 2021 to 2030.

Ecovalor

Three energy-intensive businesses in Lyss, as well as the local district heating provider, are supplied with heat by a cogeneration plant operated with the climate-neutral combustible "MBM (meat and bone meal) C1". We expect the delivery of a total of 107,000 attestations for the production years 2021 to 2030.

Ecotube

The project aims to largely shift the production of steam used by Cimo SA in Monthey: rather than generating it on site using natural gas, it is to be produced 3.3 km away at Satom SA via the incineration of household waste. The steam will be transported via a new pipeline. We expect the delivery of a total of 277,000 attestations for the production years 2022 to 2030.

CO₂ capture

In the existing processing plant for raw biogas in Nesselbach, CO₂ is separated from the methane so that it can be fed into the natural gas grid. The separated CO₂ is now liquefied in an additional plant and sold as a product. At the same time, the residual methane in the flue gas flow is filtered out and returned to the treatment plant so that it can also be fed into the natural gas grid. The previous methane slip is completely avoided. We expect the delivery of a total of 22,000 attestations for the production years 2022 to 2030.

Industrial heat

In a further seven projects, industrial plants are using renewable energy sources and waste heat to generate process heat. We expect the delivery of a total of 26,000 attestations for the production years 2021 to 2030.

Overfulfilment of target agreements

From 2013 to 2021, businesses exempted from the CO₂ levy by means of an emissions target were able to convert underruns of their target trajectory by more than 5 % (2021: 10%), so-called overfulfilment, into attestations upon request. At the end of the year under review, 375 businesses had signed an agreement with the KliK Foundation for an unlimited number of premium-free put options for the delivery of such attestations.

Over the course of the year under review, 170,497 attestations were delivered at an average unit price of CHF 95.22 for overfulfilments achieved in the years 2013 to 2021, of which 32,633 attestations were delivered under spot contracts. Once the final accounts have been drawn up for the target agreements of exempted businesses in 2024, we expect the delivery of approximately 100,000 further attestations from the production years 2013 to 2021.

3.3 Buildings Platform

Programmes in operation

Heating networks

The KliK Foundation has developed seven programmes to promote heating networks: (i) use of waste heat from wastewater; (ii) use of ambient heat from ground water, drinking water, rivers and lakes; (iii) industrial high-temperature waste heat; (iv) low-temperature waste heat; (v) waste heat from domestic waste incineration plants; (vi) heat production using biomass furnaces; (vii) extensions of existing heating networks. The programmes were registered by the Swiss Federal Office for the Environment between 2015 and 2017 and were successfully revalidated in 2023.

20,261 attestations were issued for the year 2021. We expect the delivery of a total of 740,000 attestations for the production years 2021 to 2030.

Warm water savings

Water-saving nozzles in shower heads and taps help reduce the use of fossil fuels for the production of hot water. Operated by the myclimate Foundation, the programme promotes the use of water-saving nozzles in hotels, care homes, collective housing and large residential buildings, as well as the subsidised distribution of efficient shower heads. The programme was registered by the Swiss Federal Office for the Environment in 2015 and successfully revalidated in 2022.

9,751 attestations were issued for the year 2022. We expect the delivery of a total of 85,000 attestations for the production years 2021 to 2030.

Mobile heaters

Mobile heaters are used widely on building sites to speed up drying times or in the events industry for heating tents. Without the programme, which promotes the purchase of state-of-the-art devices designed to operate with wood pellets, mobile heaters would almost exclusively be fossil fuelled. Operated by the KliK Foundation, the programme was registered by the Swiss Federal Office for the Environment in 2015 and successfully revalidated in 2022. In the year under review, 33,769 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 195,000 attestations for the production years 2021 to 2030.

Optimised facility management

Operated by energo, the programme promotes the use of energy management systems in rental buildings. It was registered by the Swiss Federal Office for the Environment in 2016 and was successfully revalidated in the year under review.

1,034 attestations were issued for the year 2021. We expect the delivery of a total of 32,000 attestations for the production years 2021 to 2030.

Wall-mounted shower heads

Operated by Sinum, the programme promotes the distribution of water-saving, wall-mounted shower heads in sports facilities and was registered by the Swiss Federal Office for the Environment in 2016. 154 attestations were issued for the year 2021. We expect the delivery of a total of 2,000 attestations for the production years 2021 to 2030.

3.3 Buildings Platform

Heat pumps

Operated by the myclimate Foundation, the programmes promote the replacement of fossil-fuelled heating installations by heat pumps within a power range of up to 400 kW and were registered by the Swiss Federal Office for the Environment in 2017 and 2020 respectively. Since July 2023, only installations within a power range of 15–400 kW were promoted.

2,881 attestations were issued for the year 2022. We expect the delivery of a total of 41,000 attestations for the production years 2021 to 2030.

Pellet heaters

Operated by the myclimate Foundation, the programme promotes the replacement of fossil-fuelled heating installations by pellet heaters within a power range of up to 70 kW and was registered by the Swiss Federal Office for the Environment in 2020.

330 attestations were issued for the year 2022. We expect the delivery of a total of 10,000 attestations for the production years 2021 to 2030.

Wood heaters

Operated by Energie Zukunft Schweiz, the programme promotes the replacement of fossil-fuelled heating installations with wood-fired heaters and was registered by the Swiss Federal Office for the Environment in 2020.

In the year under review, 10,401 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 146,000 attestations for the production years 2021 to 2030.

Heat pumps

Developed by Energie Zukunft Schweiz, the programme promotes the replacement of fossil-fuelled heating installations with heat pumps and was registered by the Swiss Federal Office for the Environment in 2021.

In the year under review, 2,770 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 60,000 attestations for the production years 2021 to 2030.

Heating control

Registered by the Swiss Federal Office for the Environment in 2021 and operated by ECCO2 Solutions AG, the programme promotes the product developed by the company to optimise the operation of existing fossil-fuelled heating systems in multi-dwelling units.

In the year under review, 1,571 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 16,500 attestations for the production years 2021 to 2030.

Building automation

Up until 2017, the programme promoted the upgrading of buildings heated with fossil fuels from building automation efficiency classes C or D of the Swiss SIA standard 386.110 to classes A or B.

No attestations have yet been issued in the year under review. We expect the delivery of a total of 5,500 attestations for the production years 2021 to 2030.

Danfoss electronic heater thermostats

Registered by the Federal Office for the Environment in 2016 and operated by South Pole, the programme was phased out in 2019. In total, it subsidised the sale of around 19,500 electronic heater thermostats supplied by Danfoss, reducing their retail price by CHF 15 per unit.

In the year under review, 2,485 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 6,000 attestations for the production years 2021 to 2025.

Programme in planning

Biocombustibles

The programme developed by BioFuels Schweiz to promote the use of biofuel heating oil produced from waste was still being evaluated by the Federal Office for the Environment at the end of 2023.

Individual projects

At the end of 2022, 61 projects and one project bundle were under contract. These are heating networks and individual heating systems that use renewable energy sources and waste heat and replace fossil fuel heating systems (oil or gas) in the connected buildings.

In the year under review, 122,511 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 1.35 million attestations for the production years 2021 to 2030.

3.4 Agriculture Platform

Programmes in operation

Reducing laughing gas emissions from nitrogen fertilisation

The programme promotes the addition of nitrification inhibitors to fertilisers. These compounds reduce laughing gas (nitrous oxide) emissions indirectly by limiting the volatilisation of nitrogen as ammonia, and directly by lowering the necessary amounts of nitrogen fertilisers. Operated by First Climate (Switzerland) AG, the programme was registered by the Swiss Federal Office for the Environment in 2016 and successfully revalidated in the year under review.

4,293 attestations were issued for the year 2022. We expect the delivery of a total of 72,000 attestations for the production years 2021 to 2030.

Biogas facilities

Manure produced in livestock farming releases methane emissions, which can be prevented through the controlled collection and fermentation of the manure in biogas facilities. In addition to avoiding methane emissions, the resulting biogas can then be processed in a cogeneration plant to produce electricity and heat. However, such biogas processing schemes are usually already funded via fixed feed-in tariffs and are therefore not covered by the carbon offset programme. Operated by Ökostrom Schweiz, the programme was registered by the Swiss Federal Office for the Environment in 2017 and was successfully revalidated in the year under review.

6,743 attestations were issued for the year 2021. We expect the delivery of a total of 124,000 attestations for the production years 2021 to 2030.

Alternative heating for greenhouses

Developed and operated by the myclimate Foundation in collaboration with DM Energieberatung AG, the programme promotes the installation of renewable heating systems (heat pumps and wood-fired heating) in greenhouses. The programme was registered by the Swiss Federal Office for the Environment in 2021.

In the year under review, 763 attestations were issued for the years 2021 and 2022. We expect the delivery of a total of 12,000 attestations for the production years 2021 to 2030.

Individual projects

Prior to registering the “Biogas facilities” programme, 21 biogas facilities had been set up in the context of three project bundles. No attestations have yet been issued in the year under review. We expect the delivery of a total of 114,000 attestations for the production years 2021 to 2030.

4 International activities

Transportation Platform	Businesses Platform	Buildings Platform	Agriculture Platform
Electric mobility Thailand	Climate-friendly refrigerants Ghana	Improved cook stoves Peru	Biogas from water hyacinths Malawi
Electric mobility Dominica	Loan guarantees for renewable energies Ghana	Improved cook stoves (ACT) Ghana	Biogas facilities in dairy farms Malawi
Electric cargo bikes Ghana	Industrial biomass fermentation Morocco	Improved cook stoves (UpEnergy) Ghana	Biogas facilities Senegal
Electric mobility Senegal	Energy efficiency in businesses Morocco	Electric cook stoves (UpEnergy) Ghana	
	Photovoltaic systems for businesses Morocco	Biomass briquettes Ghana	
	Photovoltaic systems Peru	Improved cook stoves Malawi	
	Integrated waste management Senegal		
	Storage batteries for relieving the burden placed on the power grid Senegal		
			with ITMO purchase agreement

4 International activities

Based on Article 6 of the Paris Agreement, international attestations, so-called “Internationally Transferred Mitigation Outcomes” (ITMOs), can be issued for emission reductions abroad. Switzerland currently only issues attestations for ITMOs from countries with which it has settled the modalities for the recognition of emission reductions in a bilateral agreement under international law. Such bilateral agreements form the basis that allows Switzerland to acquire the emission reductions achieved in the partner country as ITMOs and to count them towards its own target achievement.

As of the end of the year under review, Switzerland had concluded such bilateral agreements with the following 13 countries (in chronological order): Peru, Ghana, Senegal, Georgia, Vanuatu, Dominica, Thailand, Ukraine, Morocco, Malawi, Uruguay, Chile and Tunisia. In eight of these countries, the KliK Foundation is currently developing a portfolio of 21 programmes with the prospect of issuing international attestations.

As of the end of the year under review, comprehensive programme documentation (Mitigation Activity Design Document [MADD]) was available or in preparation for all 21 programmes, in each case financed to a limited extent by the KliK Foundation. The MADD forms the basis for the approval of programmes by Switzerland and by the partner country under the respective bilateral agreement. As of the end of the year under review, such approvals had been issued for four programmes.

A contract for the acquisition of ITMOs exists for three of the 21 programmes. In addition, there is a contract in place with the United Nations Development Programme (UNDP) under which the Foundation is to receive up to 4 million ITMOs from programmes yet to be specified.

4.1 Transportation Platform

Electric mobility, Thailand

The programme will enable the introduction of electric buses on numerous existing and new privately operated public transport bus routes in the Bangkok metropolitan region. The Thai programme owner Energy Absolute produces the e-buses, which will replace diesel- and natural-gas-powered buses. It also installs and operates a network of charging stations.

The electrification of privately operated buses in public transport is not part of the measures planned by Thailand to achieve its climate goals. This is due in particular to the currently much higher overall costs of electric buses compared to those of fossil-fuelled buses. The funding from the KliK Foundation will be used to compensate for the cost difference, which will allow prices for journeys by e-bus to be kept at the current level.

On 15 December 2023, 1,916 ITMOs were issued for 2022. These were the first certificates issued globally in accordance with Article 6 of the Paris Agreement. Some 2% of the certificates had to be suspended as a contribution to the “overall mitigation of global emissions” (OMGE), which has to be made in accordance with the decisions taken at the climate conference held in Glasgow in 2021. By 2030, we expect the delivery of 1.5 million ITMOs from the contract signed in June 2022.

Electric mobility, Dominica

The programme aims for a rapid transition of the Caribbean island state of Dominica to electric mobility. The aim is to promote the widespread use of electric vehicles. The electricity required for their operation is to be met exclusively from renewable sources and generated by geothermal energy and photovoltaic systems. In the first phase, road vehicles such as buses, delivery vehicles, cars and motorcycles will be promoted. In the second phase, smaller electric ships and larger hydrogen-powered ships will also be provided for. The program activities include a variety of incentives, an improved environment for electric vehicles and a regulatory framework. The business model for buses, taxis and heavy commercial vehicles is based on vehicle leasing, while the model for private vehicles is based on the removal of the barriers and obstacles that make purchasing electric vehicles more difficult, as well as the creation of a public charging infrastructure, information and demonstration programmes, battery tests for used cars and financial incentives. Derisking instruments for private investments are currently being negotiated with the Green Climate Fund. The KliK Foundation is committed to creating an electric vehicle-friendly ecosystem and facilitating the mass use of electric vehicles primarily in the first phase as well as at the start of the second phase. We expect the delivery of 36,000 ITMOs by 2030.

4.1 Transportation Platform

Electric cargo bikes, Ghana

The aim of this programme is to promote the use of electric cargo bikes in Ghana's urban areas. These cargo bikes are to be made available to gig economy workers so that they can provide delivery and courier services. The financial support provided by the KliK Foundation ensures that the leasing fee charged is competitive in comparison with bicycles and tricycles with combustion motors. Once the bikes have been paid off, ownership will be transferred to the workers riding the bikes.

The cargo bikes are produced and serviced in Ghana. Long battery charging times are avoided by the ability to exchange batteries at publicly accessible locations set up specifically for this purpose. We expect the delivery of 520,000 ITMOs by 2030.

Electric mobility, Senegal

The programme aims to convert one-third of the ornately painted, diesel-powered "Cars Rapides" in the Senegalese capital of Dakar to solar power and equip them with safety features. The minibuses currently account for about 60% of public transport in Dakar and, as low-emission "Cars Solaires", can contribute to a significant improvement in air quality and road safety. For this purpose, a charging infrastructure with solar stations is being built where the vehicles can change their batteries.

The programme is based on the existing and well-established "Car Rapides" system, and will cover the transport needs of the population and secure around 30,000 jobs. The funds of the KliK Foundation will primarily serve to reduce the additional costs associated with the conversion and the charging infrastructure. We expect the delivery of 200,000 ITMOs by 2030.

4.2 Businesses Platform

Climate-friendly refrigerants, Ghana

The programme has three main components that will accelerate the introduction of climate-friendly refrigerants in Ghana and at the same time speed up the destruction of climate-damaging refrigerants. To this end, the introduction of new air conditioners with climate-friendly refrigerants is being supported by a discount mechanism and an awareness campaign. At the same time, technical staff will be trained in the maintenance of existing and new air conditioning systems to minimise leakages from these systems. The programme is complemented by the establishment of a system that ensures the environmentally and climate-friendly disposal of the old units, including the greenhouse gases they contain. We expect the delivery of 430,000 ITMOs by 2030.

Loan guarantees for renewable energies, Ghana

This nationwide programme aims to promote renewable energies with a high share of self-consumption. In a first step, the programme supports the development of photovoltaic installations of up to 1 MW on the rooftops of private and commercial buildings whose occupants consume a large part of the electricity themselves. The implementation of the PV projects will be supported by subsidies once the installations have been successfully set up as well as by annual payments. This promotes a variety of business models in the renewable energy sector, which operate in a market niche that is currently not served in Ghana's energy market. We expect the delivery of 270,000 ITMOs by 2030.

Industrial biomass fermentation, Morocco

The programme aims to take Morocco's waste sector a significant step forward in establishing a circular economy. It plans to divert organic waste streams (originating, for example, in markets or slaughterhouses), which are currently disposed of in landfills, to industrial biogas facilities. Reducing waste in this way firstly lessens the quantity of methane generated in and escaping from landfills. Secondly, the produced biogas replaces fossil energy carriers used to produce electricity and heat. 10 to 15 biogas plants are to be built and operated in various Moroccan cities and communities. We expect the delivery of 100,000 ITMOs by 2030.

Energy efficiency in businesses, Morocco

The programme plans to set up an energy efficiency fund (FAEE) in Morocco, to be capitalised with private investments of up to CHF 32 million to fund energy efficiency measures in the industrial and tertiary sectors. Potential measures include the retrofitting of indoor lighting and cooling systems, the improvement of distribution systems, the retrofitting of electric motors in production facilities, and solar-powered water heating systems. The fund will focus on leveraging emission reductions not addressed by domestic climate policies. The FAEE provides energy service providers with funds for investments to improve energy efficiency, thereby removing various existing barriers. We expect the delivery of 175,000 ITMOs by 2030.

4.2 Businesses Platform

Photovoltaic systems for businesses, Morocco

The aim of the programme is to promote the installation of photovoltaic systems on the roofs of industrial and commercial businesses in Morocco. This will be achieved by making the installation of a photovoltaic system financially attractive for the business, as the electricity cost savings expected at present are not large enough to convince a large number of businesses to make the decision to invest in such a solution. In addition, the programme will provide interested businesses with free advice and technical support. The costs associated with this regularly prove to be a barrier, preventing businesses from taking a chance and verifying whether a photovoltaic system would be feasible. The success of the programme shall also be ensured through targeted marketing and promotional offers, e.g. at trade fairs and exhibitions. We expect the delivery of 1.009 million ITMOs by 2030.

Photovoltaic systems, Peru

The programme creates renewable electricity generation capacities in Peru by expanding off-grid photovoltaic facilities. Among other things, the focus is on small, self-sufficient power grids in remote areas of Peru, which until now supplied local households, mainly via diesel-powered generators. These generators are to be replaced by a combination of PV installations and battery storage. The programme also covers small industrial concerns that source their electricity from diesel-powered generators rather than from the grid. We expect the delivery of 440,000 ITMOs by 2030.

Integrated waste management, Senegal

The programme for sustainable waste management in Senegal aims to reduce methane emissions from municipal waste in Senegal by composting the organic waste in seven composting facilities that will be built here. For this purpose, the organic waste is separated, treated and processed into compost and organic fertiliser for agricultural use. This prevents organic waste from being disposed of in landfills and avoids the resulting methane emissions. We expect the delivery of 240,000 ITMOs by 2030.

Storage batteries for relieving the burden placed on the power grid, Senegal

The aim of the programme for battery energy storage systems and renewable energies is the installation of independent battery energy storage systems (BESS), including in combination with renewable energies. These systems can carry out different functions in the Senegalese power grid, including the regulation of the grid. Senegal has a significant number of renewable energy sources in its power grid, which are causing grid stability problems. The installed capacity of the renewable energies cannot be used in its entirety for the generation of electricity, which means that its full potential cannot be utilised. In order to cope with the high share of renewable energies, the grid operator creates spinning reserves generated with gas and heavy oil, which can offset potential deficits in the generation of electricity. If more renewable energy is generated, additional fossil fuel reserves must be added to regulate the power grid and shift the load, and in doing so guarantee the smooth running of the grid. The programme installs battery storage in renewable energy systems, thus preventing reserves based on fossil fuels from having to be installed in the future and reducing the additional greenhouse gas that these would emit. We expect the delivery of 300,000 ITMOs by 2030.

4.3 Buildings Platform

Improved cook stoves, Peru

The programme promotes the installation and maintenance of up to 60,000 improved cook stoves in remote and poverty-stricken areas of Peru. They reduce deforestation, which helps to keep the sequestration of CO₂ in biomass constant. Under the programme, calls for tenders are carried out to select Peruvian businesses to install the cook stoves in the agreed quality.

The contract concluded with the programme owner Microsol S.A.S. in November 2021 is the world's first commercial purchase agreement for the acquisition of ITMOs. The Climate Cent Foundation, which has been supporting the programme since 2017, has since then prefinanced the construction of 35,000 cook stoves, with more than 20,000 having already been installed. We expect the programme, whose authorisation by Switzerland and Peru is still pending, to deliver 750,000 ITMOs by 2030, 120,000 of which will be for the KliK Foundation.

Improved cook stoves in rural areas (ACT), Ghana

The programme promotes the sale of two high-quality cook stove models among rural households in Ghana. The stoves significantly reduce firewood and charcoal requirements and reduce the extremely harmful indoor air pollution with exhaust gas and particles. Switching to improved cook stoves allows programme beneficiaries to increase their financial leeway and reduces the time spent sourcing combustible fuels. The programme aims to make 180,000 improved cook stoves affordable for households. We expect the delivery of 1.36 million ITMOs by 2030.

Improved cook stoves (UpEnergy), Ghana

The aim of the programme is to offer high-quality and improved cook stoves to families at affordable prices. The programme will focus on the suburbs outlying Accra as well as the central and eastern part of the country. The cook stoves being promoted will be manufactured entirely in Accra and have been rated as being in the highest efficiency class. As the stoves are manufactured locally, this creates jobs and allows for an efficient logistics chain. Another special feature of the programme is the partial digital monitoring, which allows the actual utilisation of the stoves to be continually monitored.

A total of 150,000 improved cook stoves will be sold for a subsidised retail price. This should result in reduced fuel consumption among families, with a total of 940,000 ITMOs expected to be delivered by 2030.

Electric cook stoves (UpEnergy), Ghana

In many urban areas in Ghana, the overwhelming majority of meals are prepared on wood-fired or charcoal-fired stoves. In parallel to this, there is a high rate of electrification in Ghana and the power supply in urban areas is relatively stable. The programme would like to make use of both of these factors to provide families with access to the most modern form of cooking with electricity. As a result, families in Ghana will for the first time be able to make use of a method of cooking that does not rely on having to physically acquire fuel.

The programme offers two different technologies that have been adapted to the local cooking habits. The first technology being offered is electric pressure cookers with presettings that make them ideal for preparing rice, beans and similar foods. The programme is also offering families access to mobile induction cookers including the requisite cookware. All of the usual foods can be prepared on these cookers. We expect the delivery of 1.27 million ITMOs by 2030.

4.3

Buildings

Platform

Biomass briquettes, Ghana

Organic waste from cocoa, coconut, groundnut and rice farms currently rots unused in many rural areas of Ghana. The programme aims to collect this waste directly from the farmers in the vicinity of the production site and to press it into biomass briquettes at a central location. The briquettes produced in this way will then be sold in two different sizes to large industrial customers and, via intermediaries, to households. For these end consumers, the biomass briquettes will replace conventional, CO₂-intensive fuels such as diesel and natural gas, as well as charcoal and firewood in households. We expect the delivery of 240,000 ITMOs by 2030.

Improved cook stoves, Malawi

The programme complements an existing scheme set up by the Malawian government in rural areas and focuses on the roughly 180,000 urban and periurban households within 50 km of the capital city Lilongwe, as well as its food market. Participants in the programme benefit from subsidised retail prices for improved cook stoves, which for example use fan-assisted combustion powered by solar panels. Instead of charcoal, pellets and small briquettes made from woody biomass and crop residues are used as fuel. We expect the delivery of 1.68 million ITMOs by 2030.

4.4 Agriculture Platform

Biogas from water hyacinths, Kenya

The programme comprises the construction and operation of a biogas facility to produce electricity and organic fertiliser for agricultural use in the Lake Victoria region of western Kenya. The biomass required for the operation of the biogas facilities is made from 50 % water hyacinths – an invasive, harmful water plant that grows in Lake Victoria. The other 50 % is provided by bagasse, a waste product from the sugar production industry which has strong roots in the region.

The programme has the potential to transform the fertiliser market in Kenya. The production of local fertiliser will ensure that farmers are less dependent on existing fertiliser suppliers and the high prices currently prevalent on the global market. Furthermore, this will stem the rapid growth of water hyacinths on Lake Victoria, which have spread in an uncontrolled manner due to the high input of nutrients in the lake. The negative effects of such rapid growth include the depletion of oxygen levels in the lake and the siltation of the lake bottom with devastating effects for the local flora and fauna. We expect the delivery of 720,000 ITMOs by 2030.

Biogas facilities in dairy farms, Malawi

The programme aims to set up 10,000 biogas facilities on dairy farms nationwide, converting cow dung into valuable biogas. The open storage of manure leads to methane emissions, which can be avoided by converting the manure into biogas. Around 60% of the greenhouse gas reductions resulting from the programme are due to the avoidance of methane emissions. The remaining 40% result from the gas cookers operated with the biogas produced, which replace non-sustainably sourced wood or charcoal. The by-product of the conversion process is an organic fertiliser that is used in agriculture. We expect the delivery of 440,000 ITMOs by 2030.

Biogas facilities, Senegal

The programme plans to almost double the number of agricultural biogas facilities installed by 2030, from the Senegalese government's pledge of 27,500 to 50,700 digesters. This will provide smallholder farmers across the country with a clean and renewable alternative to firewood and charcoal traditionally used for cooking. The sale of the organic fertiliser produced in the biogas facilities creates a source of income that can cover the operating cost. A guarantee fund will further enable local commercial banks to grant loans to vetted technology suppliers for installing biogas facilities. We expect the delivery of 60,000 ITMOs by 2030.

**Expected
impact**

Expected impact abroad (million t CO₂)			
	In development	Under contract	Total
Programmes Transportation	0.76	1.50	2.26
Programmes Businesses	1.53	0.43	1.96
Programmes Buildings	5.47	0.12	5.59
Programmes Agriculture	1.22	-	1.22
Not assigned	-	4.00	4.00
Total	8.98	6.05	15.03

Expected impact by individual country (million t CO₂)			
	In development	Under contract	Total
Dominica	0.04	-	0.04
Ghana	4.59	0.43	5.02
Kenya	0.72	-	0.72
Malawi	2.11	-	2.11
Morocco	0.28	-	0.28
Peru	0.44	0.12	0.56
Senegal	0.80	-	0.80
Thailand	-	1.50	1.50
Other	-	4.00	4.00
Total	8.98	6.05	15.03

5 Carbon offset obligation 2022 to 2030

Based on the carbon offset rate of 17% applicable for 2022, the carbon offset volume for the 39 participants in the carbon offset grouping in that year was 2,461,801 tonnes of CO₂. The carbon offset obligation was completely fulfilled by the KliK Foundation through its existing national attestations from the period 2013 to 2021, which can still be used for this purpose until 2024. This also applies to the 2,316 national attestations sold by the KliK Foundation to several mineral oil companies outside the carbon offset grouping to fulfil their carbon offset obligation.

In addition to the 5,585,031 national attestations available at the end of 2022, a further 1,618,881 were added in the year under review. After the fulfilment of the aforementioned carbon offset obligations, the number of national attestations totalled 4,739,949 at the end of 2023. This figure was complemented by an additional 1,916 ITMOs that were issued as the first of their kind in the world in December. In accordance with an agreement between the Swiss Confederation and the KliK Foundation, 2% of these ITMOs had to be suspended as a contribution to the global reduction of emissions (or the “overall mitigation of global emissions” as per the terminology of the Paris Agreement).

For the years 2023 and 2024, the carbon offset rate is 20% and 23% respectively; at least 15% of the motor fuel emissions must be offset domestically. This means that for the period 2022 to 2024, a total of at least 6.6 million national attestations and a maximum of 2.1 million ITMOs are expected to be required.

In the year under review, only a few new Swiss projects and programmes were added to the portfolio and one additional contract for the acquisition of ITMOs was concluded. Overall, we expect the delivery of 4.8 million national attestations and 0.2 million ITMOs from the years 2022 to 2024 from contracts concluded by the end of

2023. We also expect to receive another 0.1 million national attestations for overfulfilments from the period 2013 to 2021.

For the period 2022 to 2024, the following results are expected: The quota for the foreign portion of the carbon offset obligation of 2.1 million ITMOs cannot be used to the full because only 0.4 million ITMOs are generated. The difference of 1.7 million t CO₂ must therefore be demonstrated in the form of national attestations. The number of national attestations required thus stands at 8.3 million, with 6.0 million of these being able to be covered by attestations from the period from 2013 to 2021. The remaining 2.3 million national attestations need to be taken from the 4.9 million generated in the period between 2022 and 2024. This would mean that 2.6 million national attestations can be set aside for the period from 2025 to 2030.

The revision of the law, which aims to extend the obligation to partially offset emissions from motor fuels to the period 2025 to 2030, was still being discussed in parliament at the end of 2023. Parliament followed the Federal Council's proposal regarding the offsetting of motor fuels. The remaining differences concern other mechanisms of the law. However, the actual carbon offset rate for the years 2025 to 2030 will only be determined by the Federal Council after the law has been passed. This means that there is continuing uncertainty regarding both the absolute carbon offset volume and the minimum share of carbon offsetting to be realised in Switzerland.

It is estimated that the KliK Foundation will require a cumulative minimum of 9.7 million national attestations and a maximum of 20.3 million ITMOs in the period 2025 to 2030. From the contracts concluded at the end of 2023, we expect the delivery of 6.4 million national attestations and 5.9 million ITMOs for the years 2025 to

5
Carbon offset
obligation
2022 to 2030

2030. This means that at least 0.7 million national attestations will still need to be acquired in the period from 2025 to 2030 in order to fulfil the domestic portion of the carbon offset obligation (including the national attestations saved as of the end of 2024). This quantity should be able to be procured within the framework of the operation of the KliK Foundation's programmes and the programmes of third parties under contract.

There is a significantly larger discrepancy in terms of the foreign portion of the carbon offset obligation. Here, 14.4 million ITMOs still need to be acquired for the period 2025 to 2030. Given the current pipeline of programmes abroad, which are being further developed with the help of the KliK Foundation, this does not appear impossible.

If the currently existing contracts are fulfilled, the expenditure for the acquisition of attestations for the years 2022 to 2030 will amount to a total of 1.65 billion Swiss francs. Based on fossil motor fuel sales in this period, this corresponds to costs of 3.3 centimes per litre. The acquisition of the number of attestations needed to fulfil the carbon offset obligation by 2030 would cost an additional 600 million Swiss francs at the current prices, which would mean a further 1.2 centimes per litre. The carbon offset obligation could therefore be fulfilled at a cost of less than the legal upper limit of 5 centimes per litre for the period from 2022 to 2030.

The previous analysis ignores the fact that it cannot be assumed that the contractually promised number of attestations will be delivered. In order to ensure that the required number of attestations are actually received, a sufficiently high risk buffer must be created. The Foundation must therefore contractually secure considerably more attestations than are necessary for the complete fulfilment of the carbon offset obligation. The KliK Foundation estimates the default risk to be such that additional contracts worth around CHF 900 million will have to be entered into to cover it. An additional 2.4 centimes would have to be levied on each litre of motor fuel sold during the period of 2024 to 2030 in order to serve the contracts.

5 Carbon offset obligation 2022 to 2030

Expenditure for national and international attestations for the years 2022 to 2024: as at the end of 2023

	Contractual expenditure (million CHF)	Attestations under contract (million tonnes CO ₂)	Cost per attestation (CHF/t CO ₂)
Programmes Transportation	297	1.83	162
Programmes Businesses	199	1.65	121
Programmes Buildings	39	0.33	118
Programmes Agriculture	9	0.06	150
Projects	133	0.97	137
Domestic	677	4.84	140
Abroad	6	0.16	35

Expenditure for national and international attestations for the years 2025 to 2030: as at the end of 2023

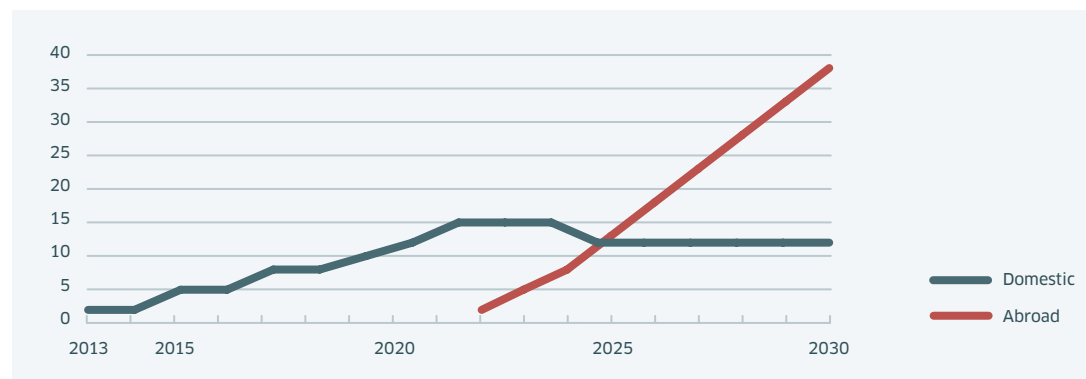
	Contractual expenditure (million CHF)	Attestations under contract (million tonnes CO ₂)	Cost per attestation (CHF/t CO ₂)
Programmes Transportation	120	0.68	176
Programmes Businesses	395	3.13	126
Programmes Buildings	126	1.09	116
Programmes Agriculture	20	0.14	145
Projects	147	1.31	112
Domestic	808	6.35	127
Abroad	158	5.89	27

Carbon offset rate 2013 to 2030

(in % of fossil motor fuel emissions)

Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Domestic	-	2	2	5	5	8	8	10	12	15	15	15	12	12	12	12	12	12
Abroad	-	-	-	-	-	-	-	-	-	2	5	8	13	18	23	28	33	38

Presumptive values from 2025 onward.



6 Finances and administration

6.1 Income and expense

As of 1 January 2024, the KliK Foundation had concluded agreements with 37 mineral oil companies to handle the fulfilment of their carbon offset obligation. The composition of the carbon offset grouping changed compared to the previous year due to the takeover of one participant by another.

In the year under review, the participants in the carbon offset grouping paid the KliK Foundation a fee of CHF 293,938,190. The collection of these payments by Carbura, the Swiss organisation for the compulsory stockpiling of liquid fuels and combustibles, cost CHF 33,672.

Since the annual accounts for mineral oil tax receipts is not prepared by the Swiss Directorate General of Customs until May of the following year, supplementary payments to the KliK Foundation or reimbursements by the KliK Foundation to participants in the carbon offset grouping may occur after closing of the KliK Foundation's accounts. Such payments are entered as extraordinary income resp. extraordinary expense. For the year 2022, supplementary payments to the KliK Foundation exceeded its reimbursements by CHF 469,967.

Further extraordinary incomes of CHF 378,550 resulted from the sale of 2,316 national attestations to third parties also subject to the carbon offset obligation but not affiliated to the carbon offset grouping.

Since 2014, the KliK Foundation has been recognised as a carbon offset grouping in the Principality of Liechtenstein, where the carbon offset obligation also applies. The Principality of Liechtenstein dispenses with carrying out carbon offset activities; in return, it receives a share of the payments made to the KliK Foundation, determined anew each year. In the year under review, this share amounted to CHF 1,218,971 for the year 2022.

Income from interest and securities amounted to CHF 15,355,130. Losses on securities and expenditures for bank charges and other fees stood at CHF 5,072,201, yielding a financial result of CHF 10,282,929.

In the year under review, the KliK Foundation received the delivery of attestations worth CHF 205,400,814. It also has contractual commitments of around CHF 1.384 billion for expected deliveries until 2030, of which CHF 260 million should become due for payment in 2024.

Indirect costs for external consulting services, project brokerage and programme-specific communication amounted to CHF 2,416,483 (a year-on-year increase of +19%). Operating expenses for the Secretariat and general communication expenses amounted to CHF 5,273,239 (a year-on-year increase of +40%).

6.2 Foundation Council and Secretariat

At the end of the year under review, the Secretariat of the KliK Foundation employed 18 members of staff. The annual average stood at 1,447 full-time equivalent positions. As was the case in the previous year, the Secretariat concerned itself with expediting the development of activities abroad and operating its proprietary programmes in Switzerland.

In the year under review, the Foundation Council convened on four occasions. In March, it took part in a study trip to Ghana and visited four of the programmes being set up there. It approved the terms and conditions for the conclusion of 14 contracts for the purchase of international attestations.

In the Swiss Council debates on the topic of the revision of the CO₂ Act post-2024, the KliK Foundation was commended multiple times and the benefits of the climate protection activities the foundation helps to finance were highlighted. The contribution that the carbon offset scheme can make to achieving climate targets set by Switzerland under the Paris Agreement is severely limited by the requirement that the offsetting surcharge on fossil motor fuels must not exceed 5 centimes per litre.

While the climate policy decisions made in 2023 increased the need for action considerably – particularly through the setting of the net-zero target for 2050 – the effectiveness of the climate policy instruments provided for by law remains limited in terms of their design. This holds true specifically for the carbon offset scheme. Switzerland is therefore at risk of falling markedly short of its climate target by 2030.

7 Management and performance report

Purpose of the Foundation

The Foundation aims to perform the duties of a carbon offset grouping or “compensation pool” in compliance with Article 27 of the Swiss Federal Act on the Reduction of CO₂ Emissions (Swiss CO₂ Act), specifically fulfilling the carbon offset obligation on behalf of affiliated parties responsible for the sale of fossil motor fuels and subject to the carbon offset obligation. To do so, the Foundation directly or indirectly funds, supports, plans and carries out carbon offset activities in Switzerland and abroad that are allowable under the provisions of the Swiss CO₂ Act, namely also within the framework of national and international emissions trading schemes. The Foundation is an entirely non-profit organisation and pursues neither commercial nor self-help objectives. It also does not pursue any commercial purposes and does not seek to make a profit. The use of even parts of the Foundation's assets for any aim other than to achieve the Foundation's dedicated purpose is strictly prohibited.

Bodies

The Foundation Council numbers six members, the Managing Director is also a body.

Staff

The annual average stood at 1,447 full-time equivalent positions.

Internal control system

The KliK Foundation operates an internal control system, which provides the basis for all essential operations. The Foundation Council periodically assesses financial and operational risks at its meetings. Considerations on risk and its limitation are set out in the risk register.

8 Financial report

Balance sheet at 31 December	Explanatory notes	2023	2022
Assets		CHF	CHF
Cash and cash equivalents		45'508'192.11	38'605'885.50
Securities	2.1	188'376'176.82	151'014'319.32
Receivables from goods and services from third parties		80'728'591.90	79'269'712.50
Other short-term receivables from third parties		71'311'953.69	39'633'493.01
Prepayments and accrued income		961'224.00	5'000.00
Total current assets		386'886'138.52	308'528'410.33
Emission credits	2.2	1.00	1.00
Movable tangible fixed assets		55'100.00	68'800.00
Total non-current assets		55'101.00	68'801.00
Total assets		386'941'239.52	308'597'211.33
Liabilities and capital of the organisation			
Payables from goods and services to third parties		17'233'240.38	42'012'604.95
Other short-term payables to third parties		5'884'666.17	6'500.00
Short-term provisions for projects	2.3	260'094'946.00	221'736'251.00
Accrued liabilities and deferred income		3'623'040.00	2'323'600.00
Total current liabilities		286'835'892.55	266'078'955.95
Long-term provisions for projects	2.4	1'124'178'354.00	1'211'966'200.00
Total non-current liabilities		1'124'178'354.00	1'211'966'200.00
Total liabilities		1'411'014'246.55	1'478'045'155.95
Capital of the foundation		50'000.00	50'000.00
Unrestricted capital – generated unrestricted capital carried forward		-1'169'497'944.62	-1'013'650'413.06
Unrestricted capital – foundation result		145'374'937.59	-155'847'531.56
Total capital of the organisation	2.5	-1'024'073'007.03	-1'169'447'944.62
Total liabilities and capital of the organisation		386'941'239.52	308'597'211.33

8 Financial report

Statement of operations	Explanatory notes	2023	2022
		CHF	CHF
Fees received from carbon offset grouping		293'938'190.23	275'415'391.96
Revenue reductions		-1'252'643.01	-1'250'418.00
Sales from goods and services - revenue from services to third parties		202'700.00	192'100.00
Operating income		292'888'247.22	274'357'073.96
Expense for programmes	2.6	-150'932'521.36	-402'540'161.33
Expense for third-party services	2.7	-2'416'482.59	-2'026'639.46
Personnel expense		-2'577'606.03	-2'175'484.94
Other operating expense	2.8	-2'695'632.83	-1'593'935.56
Depreciation on movable tangible fixed assets		-13'700.00	-13'700.00
Operating expense		-158'635'942.81	-408'349'921.29
Operating result		134'252'304.41	-133'992'847.33
Financial income	2.9	15'355'129.69	3'634'562.55
Financial expense	2.10	-5'072'200.67	-26'583'243.31
Financial result		10'282'929.02	-22'948'680.76
Extraordinary income	2.11	1'069'277.45	1'186'394.38
Extraordinary expense	2.12	-229'573.29	-92'397.85
Extraordinary result		839'704.16	1'093'996.53
Annual result (before allocation to capital of the organisation)		145'374'937.59	-155'847'531.56
Allocation / use - unrestricted capital		145'374'937.59	-155'847'531.56
		0.00	0.00

8 Financial report

Cash flow statement	2023	2022
	CHF	CHF
Annual result	145'374'937.59	-155'847'531.56
(Decrease) / Increase of provisions	-49'429'151.00	198'924'428.00
Decrease / (Increase) of securities	-37'361'857.50	-23'306'234.95
Depreciation	13'700.00	13'700.00
Decrease / (Increase) of receivables from goods and services	-1'458'879.40	-14'889'877.65
(Decrease) / Increase of payables from goods and services	-24'779'364.57	20'477'158.15
Decrease / (Increase) of other short-term receivables and prepayments and accrued income	-32'634'684.68	-19'506'183.01
(Decrease) / Increase of other short-term payables and accrued liabilities and deferred income	7'177'606.17	668'120.00
Cash flow from operating activities	6'902'306.61	6'533'578.98
Cash flow from investing activities	0.00	0.00
Cash flow from financing activities	0.00	0.00
Change in cash and cash equivalents	6'902'306.61	6'533'578.98
Balance of cash and cash equivalents as per 1.1.	38'605'885.50	32'072'306.52
Balance of cash and cash equivalents as per 31.12.	45'508'192.11	38'605'885.50
Reconciliation of change in cash and cash equivalents	6'902'306.61	6'533'578.98

8 Financial report

Statement of changes in capital 2023	Balance 1.1.	Allocation	Use	Total change	Balance 31.12.
	CHF	CHF	CHF	CHF	CHF
Capital of the organisation					
Capital of the foundation	50'000.00	0.00	0.00	0.00	50'000.00
Unrestricted capital	-1'169'497'944.62	145'374'937.59	0.00	145'374'937.59	-1'024'123'007.03
Total capital of the organisation	-1'169'447'944.62	145'374'937.59	0.00	145'374'937.59	-1'024'073'007.03

Statement of changes in capital 2022	Balance 1.1.	Allocation	Use	Total change	Balance 31.12.
	CHF	CHF	CHF	CHF	CHF
Capital of the organisation					
Capital of the foundation	50'000.00	0.00	0.00	0.00	50'000.00
Unrestricted capital	-1'013'650'413.06	0.00	155'847'531.56	-155'847'531.56	-1'169'497'944.62
Total capital of the organisation	-1'013'600'413.06	0.00	155'847'531.56	-155'847'531.56	-1'169'447'944.62

Notes

I General remarks

Name, legal form and head office of the organisation

Name: Foundation for Climate Protection and Carbon Offset KliK

Legal form: Foundation

Head office: Zurich

The Foundation for Climate Protection and Carbon Offset KliK was established on 7 December 2012 (commercial register entry) and launched its operations on 1 January 2013.

The KliK Foundation was established by the Swiss Petroleum Association (now Avenergy Suisse) and aims to perform the duties of a carbon offset grouping or "compensation pool" pursuant to Article 27 of the Swiss CO₂ Act. On behalf of affiliated mineral oil companies subject to the carbon offset obligation, it is tasked with fulfilling this obligation by directly or indirectly funding, supporting, planning and carrying out carbon offset activities in Switzerland that are allowable under the provisions of the Swiss CO₂ Act. Participants in the carbon offset grouping pay the KliK Foundation a cost-covering fee. In view of the foreseeable extension of the carbon offset obligation until 2030, participants in the carbon offset grouping have tasked the KliK Foundation with ensuring the continued fulfilment of their carbon offset obligation.

8 Financial report

1.1 Principles underlying the establishment and valuation of accounts

The present financial statements have been drawn up in compliance with the financial reporting standard Swiss GAAP FER incl. FER 21. They further provide the information required under Swiss financial reporting law (Title 32 of the Swiss Code of Obligations).

1.2 Securities

Current assets securities have been recognised at market value as per balance sheet date. No fluctuation reserve was created.

1.3 Attestations

As of 31.12.2023, the Foundation's account with the Swiss Emissions Trading Registry holds a total of 4'776'940 attestations. Every year, the amount of attestations required to fulfil the annual carbon offset obligation is handed over to the Swiss Confederation without compensation.

1.4 Carbon offset obligation

For 2023, the carbon offset obligation is set at 20% of fossil motor fuels released for consumption in Switzerland in the year under review. 2'461'801 of the attestations available according to section 1.3 must be used toward fulfilling the carbon offset obligation for 2022.

1.5 Minimal value for the capitalisation of investments in tangible fixed assets

Acquisitions are recognised above a threshold of CHF 10'000 in item value and when of long-term character. Valuation takes place at acquisition costs minus accumulated depreciation and value adjustments. Tangible fixed assets are depreciated in a straight line over a useful life of 8 years.

1.6 Fees received from carbon offset grouping

Mineral oil companies on whose behalf the KliK Foundation fulfils the carbon offset obligation pay the Foundation a fee. This fee covers all costs incurred by the Foundation in fulfilling their carbon offset obligation. Sales recognition is based on notification by Carbura (the Swiss mineral oil industry's organisation for compulsory stockpiling) of the amount of motor fuels released for consumption in Switzerland by participants in the carbon offset grouping and subject to the carbon offset obligation.

1.7 Provisions

By signing project agreements for the purchase of emission credits, the Foundation has incurred short and long-term payment obligations. Provisions have been made for the sum of short and long-term payment obligations from agreements signed as per balance sheet date.

II Information on balance sheet and statement of operations positions

2.1 Securities	2023	2022
Swiss bonds	52'285'920.00	41'159'379.00
Foreign bonds	55'005'627.00	42'806'620.00
Swiss stocks and shares	23'496'831.00	20'301'167.00
Foreign stocks and shares	35'792'947.00	29'239'366.00
Swiss real estate	21'794'851.82	17'507'787.32
Total market value of securities	188'376'176.82	151'014'319.32
Price adjustments to market value	22'336'764.67	13'075'901.13
Total acquisition costs of securities	166'039'412.15	137'938'418.19

The securities portfolio is managed according to investment rules and regulations last amended and approved by the Foundation Council on 04.12.2017.

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2.2 Attestations

As described in sections 1.3 and 1.4, attestations needed to fulfil the carbon offset obligation up to the end of 2030 are handed over to the Swiss Confederation without compensation. They are therefore recognised pro memoria at a value of CHF 1.–.

2.3 Short-term provisions for projects	2023	2022
Individual projects	58'583'263.00	57'019'439.00
Transportation Platform	98'668'730.00	82'325'436.00
Businesses Platform	72'783'880.00	68'441'612.00
Buildings Platform	14'703'313.00	10'833'057.00
Agriculture Platform	4'861'460.00	2'843'707.00
Projects abroad	10'494'300.00	273'000.00
Total short-term provisions for projects	260'094'946.00	221'736'251.00

2.4 Long-term provisions for projects	2023	2022
Individual projects	217'456'414.00	236'159'632.00
Transportation Platform	237'752'150.00	268'973'400.00
Businesses Platform	447'983'430.00	478'749'096.00
Buildings Platform	89'503'604.00	90'674'985.00
Agriculture Platform	23'753'219.00	36'938'308.00
Projects abroad	107'729'537.00	100'470'779.00
Total long-term provisions for projects	1'124'178'354.00	1'211'966'200.00

Statement of changes in provisions

Provisions 1.1.	1'433'702'451.00	1'234'778'023.00
Creation	161'177'047.89	421'754'736.85
Utilisation	-201'314'896.36	-203'615'733.00
Release	-9'291'302.53	-19'214'575.85
Provisions 31.12.	1'384'273'300.00	1'433'702'451.00
of which short-term provisions	260'094'946.00	221'736'251.00

2.5 Capital of the organisation

As at 31 December 2022, the total capital of the organisation shows an accounting over-indebtedness. This is due firstly to the fact that provisions have already been made for all payment obligations arising from project agreements up to 2030, while revenue from fees contractually guaranteed by participants in the carbon offset grouping until 2030 has only been taken into account for the period currently under review. Secondly, attestations purchased from programmes and projects are only recognised under non-current assets pro memoria at a value of CHF 1.–, since attestations required for the yearly fulfilment of the carbon offset obligation are handed over to the Swiss Confederation without compensation. The foundation has been overindebted since it was founded, as the foundation supervisory authority is aware of and accepts without negative feedback. The Foundation's rolling-wave cashflow planning shows that it is able to meet its obligations up to the end of the carbon offset obligation in 2031. The Foundation Council has therefore abstained from drawing up an interim balance sheet under Article 84a of the Swiss Civil Code.

2.6 Expense for programmes	2023	2022
Individual projects	11'900'525.20	23'450'197.63
Transportation Platform	67'710'595.06	130'941'228.21
Businesses Platform	49'576'238.85	164'854'228.34
Buildings Platform	13'489'346.78	-19'214'575.85
Agriculture Platform	-9'291'302.53	5'009'083.00
International certificates	17'547'118.00	97'500'000.00
Total expense for programmes	150'932'521.36	402'540'161.33

The reduction in expense in 2023 pertains to the Agriculture Platform and is due to the release of no longer required provisions in 2023.

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2.7 Expense for third-party services	2023	2022
Third-party consultancy expense	1'614'216.45	1'405'978.37
Third-party communication expense	152'425.40	188'712.57
Third-party implementation expense	649'840.74	431'948.52
Total expense for third-party services	2'416'482.59	2'026'639.46
2.8 Other operating expense	2023	2022
Rent and occupancy expense	160'238.29	169'495.14
Transport expense	132'338.89	97'470.48
Maintenance, repair and replacement of movable tangible fixed assets	10'592.20	35'979.34
Administration and IT expense	1'747'992.95	797'196.86
Communication expense	614'221.61	463'195.84
Other expense	30'248.89	30'597.90
Total other operating expense	2'695'632.83	1'593'935.56
2.9 Financial income	2023	2022
Interest income (bank, post)	1'583.85	4.47
Income from securities (dividends, interest)	3'522'186.76	3'049'538.19
Realised gains from securities price changes	1'358'012.59	8'753.41
Unrealised gains from securities price changes	10'473'346.49	576'266.48
Total financial income	15'355'129.69	3'634'562.55

2.10 Financial expense	2023	2022
Interest expense	0.00	6'598.42
Bank and postal account charges	1'701.99	1'514.88
Securities charges (fees/commissions)	523'128.26	342'114.52
Realised losses from securities price changes	638'237.16	323'941.55
Unrealised losses from securities price changes	3'909'133.26	25'909'073.94
Total financial expense	5'072'200.67	26'583'243.31

2.11 Extraordinary income	2023	2022
Extraordinary income	1'069'277.45	1'186'394.38

Supplementary fees paid by participants in the carbon offset grouping according to Carbura's final account of motor fuels released for consumption in the previous year; also, in 2023, CHF 378'550 in revenue from the sale of attestations to third parties toward fulfilling their carbon offset obligation. The previous year's extraordinary income also pertains to supplementary fees paid by participants in the carbon offset grouping according to Carbura's final account of motor fuels released for consumption in 2021; as well as CHF 716'400 in revenue from the sale of attestations to third parties toward fulfilling their carbon offset obligation.

2.12 Extraordinary expense	2023	2022
Extraordinary expense	229'573.29	92'397.85

As it did last year, the extraordinary expense mainly concerns the repayment of fees to participants in the carbon offset grouping according to Carbura's final account of motor fuels released for consumption in the previous year.

III Further disclosures

3.1 Contingent liability

In the event of failure to comply with the legal carbon offset obligation, a penalty payment of CHF 160 is due to the Swiss Confederation for each missing tonne of CO₂.

3.2 Remuneration of members of the governing body

	2023	2022
Foundation Council	175'000.00	175'000.00

Only one person is in charge of managing operations.

3.3 Remuneration of the auditing body

	2023	2022
Auditing	29'500.00	32'700.00
Other services	0.00	4'500.00

3.4 Full-time equivalent positions

The number of full-time equivalents did not exceed an annual average of 50 in the year under review and in the previous year.

3.5 Restriction on disposal

	2023	2022
Restriction on disposal of cash and cash equivalents for the benefit of UBS Inc.	15'000.00	15'000.00
ZKB rental guarantee deposit "Streulistrasse 19"	44'000.00	44'000.00

3.6 Events after the balance sheet date

No significant events that may impair the informative value of the financial statements have occurred after the balance sheet date.

3.7 Approval of accounts for 2023

The accounts have been approved by the Foundation Council at its meeting on 3 June 2024.

9 Organisation

Foundation Council

Daniel Hofer
President
Avenenergy Suisse

Daniel Bischof
Member
Agrola AG

Andreas Flütsch
Member
Migrol AG

Bernhard Maurer
Member
Oel-Pool AG

Barbara Mühlemann
Member
Varo Energy Marketing AG

Martin Osterwalder
Member
Osterwalder Gruppe

Secretariat

Dr Marco Berg
Managing Director

Denise Gartmann
Director Finances

Flavio Audino
IT

Peter Janser
Web Applications

Irène Ott
Administration

Darja Aepli
Head Switzerland

Sandrine Brunet
Programmes Switzerland

Laura Schiff
Programmes Switzerland

Andreas Brügger
Project Controlling

Yannick Michaelson
Head of Communications
Switzerland

Manuela Frey
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Michael Brennwald
Head International

Dr Jacqueline Jakob
Director International Relations

Dr Ursula Flossmann-Kraus
Director Carbon Procurement

Dr Joachim Sell
Director Carbon Procurement

Andrea Thurner
Director Carbon Procurement

Yannick Träris-Kahriman
Director Carbon Procurement

Dr Andrea Reiter
Director International Communications

Anas Felhi
General Manager North Africa

Vicky Janssens
General Manager South East Asia

Michael Kofi Abrokwa
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9 Organisation

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