NEWSLETTER

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STREAMLINING SWISS BUILDING PERMITS

1. INTRODUCTION

On 22 April 2026, the Swiss Federal Council adopted a report in response to five parliamentary postulates (Gmür-Schönenberger, Müller Leo, Caroni, Wicki, and Jauslin) setting out a catalog of measures intended to accelerate planning and building permit procedures in Switzerland (the "**Report**"). The Report forms part of the federal "*Aktionsplan Wohnungsknappheit*" and complements the proposed comprehensive amendment of the Federal Act on the Acquisition of Real Estate by Persons Abroad (the "**Lex Koller**") unveiled one week earlier on 15 April 2026. The Federal Department of the Environment, Transport, Energy and Communications (UVEK) has been mandated to submit a consultation draft by the end of 2026.

The direction of travel is commendable. Lengthy approval procedures — including drawn-out objection and appeal processes — have for years been identified as one of the bottlenecks in the Swiss housing supply chain. While most procedures conclude within reasonable timeframes, the risk of significant delays is routinely priced into development underwriting. This article examines the key proposed measures (Section 2), their implications for the Swiss real estate market (Section 3), and the legislative outlook, including the interplay with the Lex Koller revision (Section 4).

2. PROPOSED KEY MEASURES

Given the Confederation's principles-only legislative competence in the area of spatial planning (Art. 75 para. 1 of the Federal Constitution), most of the real procedural levers lie with the cantons and municipalities. The Report accordingly separates measures into those within federal competence and those recommended to the cantons. The principal measures are:

a) **Housing Construction as a National Interest (federal):** Inner-city housing construction (*Siedlungsentwicklung nach Innen / développement de l'urbanisation à l'intérieur du milieu bâti*) would be anchored as a national interest in the Spatial Planning Act. The Federal Council would define implementing criteria and thresholds for projects of national interest. For qualifying projects, this would result in a materially stronger position in the interest-weighing exercise against competing concerns such as heritage protection.

b) **Restriction of Standing and Admissible Grounds of Appeal (federal):** The standing of private individuals to challenge planning and building decisions would be restricted to those particularly affected; residence within 100 meters of the project would no longer, on its own, confer standing. In parallel, admissible grounds of appeal (*Rügen / griefs*) by private appellants would be limited to those reflecting the appellant's own protected individual interests — for instance, precluding a neighbor from invoking noise exposure on the construction site (as opposed to on the neighbor's own property). These restrictions would not apply to municipalities or associations entitled to an ideal-interest appeal (*Verbandsbeschwerderecht / droit de recours des associations*).

c) **Federal Supreme Court Access for Projects in Building Zones (federal):** For building projects located inside building zones, appeals to the Federal Supreme Court would be admissible only where a legal question of fundamental significance is raised — mirroring the model already in force for wind energy installations under Art. 71c para. 1 let. c of the Energy Act.

d) **Cost Allocation for Abusive Objections (federal obligation on cantons):** The Federal Council will examine imposing on the cantons an obligation to provide, in their procedural law, for the allocation of procedural costs to objectors where the objection is proved to be abusive. Although demonstrating abuse is notoriously difficult and remains exceptional in practice, a uniform cantonal regime may nonetheless have a deterrent effect on the filing of abusive objections.

e) **Tightening of Cantonal Procedures (recommendation):** Cantons are urged to (i) publish building applications only once dossiers are complete, (ii) advance the digitalization of planning and building permit procedures, (iii) mirror the federal restrictions on standing and admissible grounds in their own proceedings, (iv) provide that neither suspension of deadlines nor judicial recesses apply in planning and building appeals, (v) grant deadline extensions more restrictively, and (vi) limit the intra-cantonal judicial remedy path to a single judicial instance.

f) **Simplified Clearance of Easements (recommendation):** Cantons are encouraged to introduce a simplified procedure to clear easements that obstruct redevelopment, along the lines of Art. 126 of the Bern Building Act. This would accelerate the build-out of parcels where historic servitudes currently block execution.

g) **Adequate Resourcing of Permit Authorities (recommendation):** Cantons are urged to strengthen the financial, human, and material resources of their permit authorities and to invest in targeted training. The Federal Council identifies chronic under-resourcing as one of the principal causes of delays in complex dossiers.

The Federal Council expressly rejected a number of further-reaching proposals, including any binding cost liability for dismissed (as opposed to abusive) objections, automatic issuance of building permits after deadline expiry, criminalization of abusive objections, and a general duty to hold conciliation hearings — the latter consistent with the National Council's rejection of the Gianini motion on 18 March 2026.

3. IMPLICATIONS FOR THE SWISS REAL ESTATE MARKET

For Developers and Institutional Investors. Anchoring inner-city housing as a national interest would, for qualifying projects, meaningfully rebalance the interest-weighing exercise against heritage protection. Combined with the restriction of Federal Supreme Court review to questions of fundamental legal significance and the tighter scope for private appellants, this should translate into more predictable timelines and reduced late-stage litigation risk — both critical inputs to cost of capital, return-on-cost underwriting, and pre-letting strategies. The benefit will be particularly material for densification schemes and for larger residential projects that currently attract protracted opposition despite conforming to zoning.

For Retail Investors and MFH Owners. The measures most directly relevant to smaller private investors, owners of multi-family buildings ("**MFH**"), and family offices are, in practice, those addressed to the cantons — notably the tightening of private-party standing, the restriction of admissible grounds to the appellant's own protected interests, and the prospective cost-allocation regime for abusive objections. These measures are calibrated to reduce nuisance opposition from neighbors pursuing interests unrelated to their own situation, a recurring feature of small- and mid-scale refurbishment and densification projects. That said, it is also possible that the focal points of appeals would simply shift, with arguments primarily directed at admissibility rather than merit. A simplified procedure for clearing easements would further unlock parcels burdened by historic encumbrances — a frequent issue for owners of older MFH stock, though this may raise questions regarding the constitutional guarantee of ownership and the principle of proportionality, which require that any extinction of private rights be a measure of last resort. The aggregate effect, subject to cantonal adoption, should be to reduce holding costs during repositioning and conversion and to lower the execution risk of value-add strategies.

For Inner-City Densification and Mixed-Use Projects. The elevation of inner-city housing to a national interest directly addresses one of the most frequent points of friction in densification projects: the interplay with the Federal Inventory of Swiss Heritage Sites of National Importance ("**ISOS**") and cantonal heritage protection. In this regard, the Federal Council has also announced separate measures addressing the implementation of ISOS. Read together with the Lex Koller Draft — which introduces restrictions on conversions (*Umnutzung / changement d'affectation*) and codifies the "one-third rule" for commercial properties with a residential component — the Report's procedural measures should partially offset the additional friction that the Lex Koller Draft would introduce for mixed-use repositioning, at least for projects that remain executable under the revised capital rules.

For the Rental Market and Housing Supply. The ultimate test of the Report's measures will be whether they translate into a meaningful increase in housing supply. Given the modest federal footprint and the inherent lag before cantonal adoption, meaningful supply-side impact should be expected to materialize only progressively and unevenly across cantons. Tenants in the most pressured urban markets are unlikely to see near-term relief from this initiative alone; the measures should nevertheless contribute to structural improvement over the medium term.

4. LEGISLATIVE OUTLOOK

The UVEK has been mandated to submit a consultation draft (*Vernehmlassungsvorlage / projet de consultation*) to the Federal Council by the end of 2026. Subject to an optional referendum, the federal measures should realistically enter into force no earlier than 2029 or 2030. Cantonal implementation of the recommendations will proceed on its own, staggered timeline.

Pursuant to the Federal Council's communication, the Report is the procedural counterpart to the Lex Koller Draft published on 15 April 2026: the two initiatives form two sides of the Federal Council's response to the housing shortage. The Lex Koller Draft restricts the pool of capital available to finance Swiss real estate; the Report aims to accelerate delivery. There is a conceptual tension between the two — if foreign investment in

Swiss real estate is more heavily restricted, the need for faster and more predictable permitting becomes even greater.

Parliament has historically been cautious about federal interventions in cantonal procedural sovereignty, and the constitutional framework places real constraints on how far the federal measures can reach. Pushback can be expected from cantons concerned about their autonomy and from environmental and heritage protection organizations concerned about the weight of the new national interest. The final shape of the federal package is accordingly difficult to predict.

5. CONCLUSIONS

Addressing the procedural causes of delays is a welcome step towards mitigating the housing shortage, and the federal measures — anchoring inner-city housing as a national interest, tightening standing and grounds of appeal before the Federal Supreme Court, and the prospective federal obligation on cantons regarding abusive objections — address identified bottlenecks in a proportionate manner. That said, the resulting limitations on certain constitutional rights will warrant careful scrutiny.

Equally important is what the Report does not address. The high density of (sometimes contradictory) regulations, the patchy coordination of proceedings among the various authorities, and the long average processing time of building permit requests in certain cantons remain open issues and materially shape the overall permitting experience.

Expectations should therefore be appropriately calibrated. The Confederation's competence is narrow, and the most impactful procedural levers lie with the cantons; the pace and uniformity of cantonal adoption will determine much of the practical outcome. The legislative pathway is long, and the federal measures are unlikely to enter into force for several years. For real estate market participants, the immediate priority is to engage actively in the forthcoming consultation phase — in due consideration of the Lex Koller consultation — to ensure the final package is both effective and workable, and thereafter to monitor cantonal implementation, where much of the practical value for development, investment, and MFH portfolios will ultimately be created.

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