

The unfinished debate on earthquake insurance

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

Despite the known hazard, there is no general obligation in Switzerland to insure buildings against earthquakes. A few cantonal building insurers provide limited cover. Together, the cantonal insurers created the Schweizerischer Pool für Erdbebedeckung, which provides a limited capacity for earthquake losses in the participating cantons.¹ This capacity is small compared to the damage that a strong earthquake would cause. Private insurers offer voluntary earthquake cover, but only a small share of property owners buy it, which leaves most buildings uninsured.

Federal efforts to introduce compulsory earthquake insurance have failed repeatedly. Proposals for a constitutional basis in the early 2000s and later did not obtain a majority in parliament, partly because the cantons with public monopolies defended their competences and partly because property owners resisted an additional compulsory premium.² The canton of Basel-Landschaft submitted a cantonal initiative for a federal earthquake insurance, which the federal parliament did not adopt.

In 2021, the two chambers of parliament adopted a motion of the Committee for the Environment of the Council of States that asked the Federal Council to prepare a system of earthquake insurance based on a contingent liability. Under this model, property owners would pay no regular premiums. After a strong earthquake, they would be obliged to contribute a percentage of the insured value of their buildings, with the funds used to finance reconstruction.³ The model aimed to overcome the resistance to regular premiums while providing the financial resources needed for reconstruction.

The Federal Council submitted a draft constitutional amendment to parliament at the end of 2024. The draft provided that the Confederation could oblige property owners to contribute up to a fixed percentage of the insurance value of their buildings after a strong earthquake, while smaller losses would remain a matter for private insurance.⁴ The Committee for

the Environment of the Council of States recommended in October 2025, by a narrow majority, not to enter into the matter, arguing that the market already offered solutions and that the burden of a catastrophe should be borne by society as a whole.⁵ In the summer of 2026, the corresponding committee of the National Council voted narrowly in favour of the draft. The outcome of the parliamentary debate remained open in the autumn of 2026.⁶

For Basel, the debate is of direct relevance. Being among the cantons most affected by a strong earthquake, Basel-Stadt would see its building insurer, its private insurers and its residents face losses that the existing arrangements could not cover. A contingent liability model would distribute the cost across the whole country, which would benefit the regions of highest hazard. The repeated failure of federal solutions shows, however, that the political system has difficulty in deciding on the distribution of a catastrophic risk that has not materialised in living memory.

1 Notes

1. On the Schweizerischer Pool für Erdbebendeckung of the cantonal building insurers, established in 1978, and its limited capacity per year (in the order of CHF 2 billion), see the publications of the VKF. Figures and dates to be verified. ↩
2. On the earlier attempts to introduce compulsory earthquake insurance at the federal level, including the rejection of parliamentary initiatives around 2012, see the records of the Federal Assembly (Curia Vista). To be verified. ↩
3. On the motion of the Committee for the Environment, Spatial Planning and Energy of the Council of States (UREK-S) on a contingent liability for earthquake damage (Motion 20.4022), adopted by both chambers in 2021, see Curia Vista. Number and dates to be verified. ↩
4. See the Federal Council's message on the introduction of a federal competence for the financing of building damage caused by earthquakes (24.095), published in the Federal Gazette in 2025 (BBl 2025 151). Status to be verified. ↩
5. See the media release of the UREK-S of 31 October 2025 on the vote of 7 to 6 against entering into the draft 24.095. Status to be verified. ↩

6. See the media release of the UREK-N of 31 August/1 September 2026 on its vote of 13 to 12 in favour of the draft 24.095. The decisions of the plenary chambers are to be verified. Status to be verified. ↩

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