

Switzerland to Introduce New Law on Supervision and Transparency in Wholesale Energy Markets

On March 21, 2025, the Swiss legislative bodies ratified the Swiss Federal Law on the Supervision and Transparency in the Wholesale Energy Markets ("Swiss REMIT"). Swiss REMIT aligns with the EU Regulation No. 1227/2011 ("EU REMIT") and introduces comprehensive reporting obligations, market conduct regulations, and a supervisory role for the Swiss Federal Electricity Commission ("EiCom") to ensure market integrity and transparency. It is expected to enter into force in 2026.

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Purpose and Scope of Swiss REMIT

Swiss REMIT tasks EiCom to supervise and assess the conduct and dependencies between energy companies as well as to foster a transparent, fair, efficient, and secure market environment. It will apply to a wide range of market participants that trade, deliver, store, and transport electricity or gas (e.g. national grid companies, energy trading companies, producers, suppliers, and intermediaries), including Swiss and non-Swiss participants in the Swiss energy wholesale market, Swiss participants subject to EU REMIT, and brokers operating in the Swiss energy wholesale market.

Registration and Representation Requirements

Participants in the Swiss wholesale energy market and participants in the EU wholesale energy market (each as further defined in Swiss REMIT) will have to register with EiCom prior to

concluding transactions or placing trading orders on a wholesale energy market, and provide ECom with necessary information.

In addition, participants in the Swiss wholesale energy market having their registered office or domicile outside of Switzerland will have to designate a representation in Switzerland.

Prohibition of Insider Trading and Information Transmission

Swiss REMIT prohibits trading by natural and legal persons that know, or should know, that insider information is involved. The term 'insider information' relates to confidential and precise information that directly or indirectly relates to a Swiss wholesale energy product and which, if disclosed, would be likely to have a significant influence on the price of that product. This concerns, in particular, fundamental data on installations such as information on the capacity or use of an installation for the generation, storage, consumption or transportation of electricity or gas (e.g. information on planned or unplanned unavailability of an installation). Insiders will act unlawfully if they:

- take advantage of insider information to acquire or dispose of, or attempt to acquire or dispose of, Swiss wholesale energy products (irrespective of where they are traded) for their own account or for the account of a third party;
- use insider information to make a recommendation to another person to acquire or dispose of Swiss wholesale energy products; or
- pass on insider information to another person outside the scope of their work, profession or the performance of their duties.

Apart from the prohibition of insider trading, participants in the Swiss wholesale energy market will have to publish on an authorized platform insider information they have received. In addition, they will have to transmit to ECom information on their transactions and trading orders that relate to Swiss wholesale energy products as well as data on their installations. Participants in the EU wholesale energy market will have to transmit to ECom the same information that they are required to submit to the EU authorities pursuant to EU laws and regulations. Finally, organized markets will also have to submit to ECom the data on the order books that relate to the transactions and trading orders set out above.

Prohibition of Market Manipulation

Subject to certain exemptions, any natural or legal person will act unlawfully if it publicly disseminates information that it knows, or should know, is false or misleading and gives or has the possibility to give false or misleading signals about the supply, demand or price of Swiss wholesale energy products. In addition, a person will act unlawfully if it enters into a transaction, issues, places or withdraws a trading order, or performs other actions, involving Swiss wholesale energy products, which:

- gives or has the possibility to give false or misleading signals about the supply, demand or price of such products;
- influences or could influence the price of a Swiss energy wholesale product in such a way that an unjustified artificial price level is achieved, unless such action occurs for legitimate reasons and the transaction or trading order is in line with permitted market practice on the relevant wholesale energy market;



- provides information on a reference value relating to Swiss energy wholesale products that the person knows (or should know) is false or misleading; or
- takes any other action that it knows (or should know) manipulates the calculation of a reference value relating to Swiss energy wholesale products.

Algorithmic Trading and Direct Electronic Access

Participants in the Swiss or EU wholesale energy market, which engage in algorithmic trading or grant direct electronic access to an organized market, will have to comply with a range of reporting and organizational duties. This includes, for example, maintaining effective systems as well as emergency and risk controls to ensure that trading systems are resilient, have sufficient capacity, and prevent the transmission of erroneous orders or malfunctions.

Obligations of Swiss Market Intermediaries

Persons who broker transactions in Swiss energy wholesale products on a commercial basis will have to monitor proactively the markets in which they operate as well as take effective measures and introduce effective procedures such that they can:

- identify any form of unlawful market conduct as defined in Swiss REMIT and violations of the duty to publish insider information;
- ensure that their employees are free from any conflicts of interest and act independently; and
- identify and notify suspicious transactions and trading orders to ECom.

ECom's Supervision, Administrative and Criminal Sanctions

ECom will be supervising the wholesale energy markets in accordance with Swiss REMIT, monitor compliance therewith, and take decisions in the form of formal orders. For the purposes of enforcing Swiss REMIT, ECom can make use of a wide range of enforcement tools and administrative sanctions. Most importantly, ECom may impose an administrative sanction for serious unlawful market conduct of up to 15% of the total turnover generated in Switzerland in the preceding year.

In addition, Swiss REMIT stipulates certain criminal sanctions for the exploitation and forwarding of insider information as well as market manipulation. They generally consist of a custodial sentence of up to five years or a monetary penalty and the Swiss Office of the Attorney General is the prosecuting authority.

Please do not hesitate to contact us in case of any questions.

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