

Financial supervision audit of the third Rhône correction

Federal Office for the Environment

Key facts

The third Rhône correction (R3) is an important project for the Confederation and the cantons of Valais and Vaud. Its main purpose is to secure the watercourse to avoid catastrophic floods in the event of high water levels, both in terms of human and economic damage.

In 2017, an estimate of R3's total costs was made, which stood at CHF 3.58 billion. The Federal Council's (FC) dispatch of 13 May 2009, which is the basis for the preparation of the 2009–2014 federal framework credit, sets out measures at a total cost of almost CHF 1.6 billion. The significant increase in the cost of R3 has been the subject of much discussion. However, these figures are not comparable. This is because the 2009 amount only concerned the first phase of the works, which lasted about 30 years, and only included the construction costs of the hydraulic installations. The amount of CHF 3.58 billion is an estimate of the total cost of the third Rhône correction up until the end of the project.

In the Federal Council Dispatch, the potential damage associated with rising water levels in the Rhône was estimated at CHF 10 billion. The latter is undoubtedly higher because the population of the Valais has increased and many buildings have been constructed since the dates on which the potential for damage was estimated (1999 and 2005). According to the Swiss Federal Audit Office (SFAO), an update is not necessary. Due to the increased development of threatened areas in many locations, the profitability of the R3 project is expected to be assured in the future as well.

Cost estimate for third Rhône correction needs to be partially revised

The Federal Office for the Environment (FOEN) has commissioned an external service provider to provide expertise on estimating total costs. The SFAO considers that this appraisal was carried out in a professional manner. It encourages the FOEN to accept the proposals of this provider. However, the latter limited its assessment to the costs of building hydraulic installations, but these represent only slightly more than half of the expected costs. The other half concerns costs that need to be clarified. In the SFAO's view, this is not satisfactory. It recommends that the structure of the total cost estimate be reviewed to improve its clarity, transparency and traceability. It also considers it necessary to carry out additional analyses on all elements other than those relating to the cost of building hydraulic installations.

The total cost estimate indicates an additional amount of CHF 629 million in potential costs due to various risks associated with the project. The SFAO believes that these should be included in the overall cost or removed. However, for some of them, additional clarifications are required. This is particularly the case for risks related to polluted sites, for which the potential additional costs are estimated at CHF 350 million. Preliminary analyses would determine who should bear these costs and should be carried out by the owners of the land concerned. However, the SFAO recommends to the FOEN that the financing of these preliminary studies be covered by the R3 project, in order to prevent the R3 project from falling behind if the owners fail to act.

The SFAO considers that the risks and opportunities of the project should be assessed according to the probability of them occurring and that the expected costs should be included in the total cost estimate.

Potential for organisational improvement at federal level and in the canton of Valais

At the federal level, organisation is generally satisfactory. However, the FOEN and the Federal Roads Office (FEDRO) should consider harmonising the structure of the progress reports requested from the canton of Valais for the projects relating to the construction of the A9 motorway and the R3. These same offices should also intensify their knowledge exchange so that the FOEN can benefit from FEDRO's experience in various fields.

The FOEN should reduce and prioritise certain requirements of the various federal offices. It should therefore weigh up federal interests in the event of differences between sectoral policies, so that its coordinated positions do not contain requirements that are difficult to reconcile. For example, the SFAO cites a coordinated position paper that calls for additional ecological measures while recommending a reduction in the area under crop rotation and the maintenance of a balanced forestry landscape.

The current organisation in the canton of Valais is not optimal for exploiting the potential synergies that exist in many areas between the cantonal offices that manage the A9 and R3 projects. In this report, the SFAO presents the various potential synergies that exist. It believes that this organisation should be reviewed.

Finally, the SFAO identified some weaknesses in the progress reports on R3. While emphasising a significant increase in the quality of FOEN reports, the SFAO considers that there is still room for improvement. The overall concept of progress reports should be reviewed. Coordination with the cantonal office for the Rhône construction (OCCR3) is necessary to ensure that the latter issues reports in accordance with the FOEN's needs in terms of content and deadlines. The reference date should be changed and the reports should be clearer and shorter. In addition, the latter should contain a clear position from the FOEN on the progress of the project and on the figures submitted by the cantons.

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