

Audit of the implementation of the 2013 deployment concept

Defence Group

Key facts

The Swiss Federal Audit Office (SFAO) conducted an audit at the Federal Department of Defence, Civil Protection and Sport (DDPS) that focused on the implementation of the 2013 deployment concept. The deployment concept provides a nationwide overview of the locations that the Armed Forces intend to continue using and which will be abandoned in the short or medium term.

The 2013 deployment concept was adopted by the Federal Council on 3 September 2014 with the dispatch on the amendment of the legal basis for the further development of the Armed Forces. With a budget of CHF 19.4 billion, the further development of the Armed Forces is to be implemented by the end of 2022. On 8 November 2017, the Federal Council increased the budget from 2021 with a growth rate of 1.4% per year. One of the objectives defined in the further development concerns the real estate infrastructure of the Armed Forces. The replacement value of this infrastructure is to be reduced by approximately one third and the freed-up funds are to be used for future investments in armaments and real estate.

The targeted reduction of the core real estate portfolio and associated savings will not be achieved

The further development of the Armed Forces' objective of lowering the replacement value by one third will not be achieved even in the long term. The DDPS believes this is due, for example, to the fact that more logistics infrastructure is needed for operational readiness than initially assumed and that more space is needed than planned because of the new safety regulations for ammunition stores.

Legislative amendments, increased user requirements and civilian standards are also increasing the pressure to renovate existing buildings and infrastructure. Digitalisation will make additional investments necessary in order to meet technical requirements. In the longer term, the aim is to stabilise the real estate portfolio at a replacement value of CHF 21 billion.

According to the financial plan (2019 to 2022), there will probably not be sufficient resources available for the operation and maintenance of the properties that remain in the core portfolio. The main reasons for this are the considerable pent-up maintenance needs from previous years, which will cost approximately CHF 5.5 billion, and a reduction in staff due to cost-cutting measures. In addition, the operating budget is too low to achieve any significant long-term savings that would ease the burden on the defence budget.

The SFAO recommends that the Armed Forces Staff should take a holistic view to define a realistic, measurable and transparent objective for the future deployment concept (such as coordination with the DDPS real estate strategy and/or cost implications).

GS-DDPS must ensure more transparency

The dispatch on the further development of the Armed Forces calls for regular reporting to the Security Policy Committees (SPCs) on the status of the implementation of the further development and thus also on the deployment concept as a sub-concept. Although the original target value was adjusted from CHF 15.5 billion to approximately CHF 21 billion in 2018, the DDPS did not report on the adjustment and the status of the achievement of the real estate objectives to the SPCs in a transparent manner.

Against this backdrop, the SFAO recommends that the GS-DDPS, in cooperation with the Armed Forces Staff, rapidly improve external communication on the status of the deployment concept and the achievement of objectives in accordance with the further development of the Armed Forces and provide the Federal Council and the SPCs with transparent and consolidated information.

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