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Press release

Reinventing governance for Swiss Federal Institutes of Technology Domain

Bern, 1 December 2015 – The Confederation invested CHF 2.5 billion in the ETH Domain in 2014. An audit carried out by the Swiss Federal Audit Office (SFAO) found that the effectiveness of strategic management and controls in the ETH Domain was limited. The SFAO recommends rethinking the ETH Board's powers and governance.

The SFAO's audit examined, among other things, the real estate of the ETH Domain, which is owned by the Confederation. The ETH Board has wide-ranging powers over this. In terms of supervision, however, cooperation between the Board and the Swiss Federal Institutes of Technology is sub-optimal. The property loan overrun at the Swiss Federal Institute of Technology Lausanne illustrates the difficulties encountered.

The respective roles of the ETH Board and the institutions in the ETH Domain have to be clarified. Controls on the ETH real estate sector need to be increased without adversely affecting the autonomy of the academic institutions.

Although the presidents of the Swiss Federal Institutes of Technology and a representative of the research institutions are required by law to be members of the ETH Board, this solution limits the Board's independence. Failing a strict division between the ETH Board and the Swiss Federal Institutes of Technology, the SFAO recommends compensatory measures to preserve good governance for the sector.

The SFAO has encouraged the ETH Board to keep a comprehensive inventory of the secondary occupations of the members of senior management of the Swiss Federal Institutes of Technology and of the research institutions. Already applied, this mandatory reporting regime for secondary occupations should be better implemented.

Long term, the ETH Board should be granted powers to issue directives to establish its management and supervisory role. If implemented, the SFAO's recommendations could authorise the Confederation to transfer its real estate portfolio to an independent ETH Domain and to manage it on strategic objectives and a global budget.

Further details

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The audit report is available on the SFAO's website: www.cdf.admin.ch