

Fact sheet

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Security requires industrial capabilities: Why the revision of the Federal Act on War Material (WMA) is important for Switzerland

The security environment in Europe has changed fundamentally over recent years. In this context, Switzerland needs credible defence capabilities, reliable partnerships and an industrial base that keeps security-relevant expertise within the country. The revised WMA provides a modern response to these requirements: it strengthens Switzerland's security without abandoning existing controls. Exports will remain subject to authorisation and may continue to be refused on security, foreign policy or neutrality grounds.

What the revision of the WMA is about

The WMA regulates the conditions under which defence-related goods may be exported. The revision provides greater legal certainty with regard to states that are closely linked to Switzerland and that apply comparable export controls. For these states, as stipulated in Annex 2 of the Ordinance on War Material (WMO), exports are to be permitted in principle even if they are involved in an armed conflict. This mitigates the so-called "NATO blocker". The Federal Council will nevertheless still be able to refuse an export licence on foreign policy, security or neutrality grounds.

The rules on re-export are also being revised. As a rule, a declaration prohibiting re-export will no longer be required, meaning that subsequent transfer will generally be possible. Here too, however, the Federal Council may impose conditions or require an end-user declaration for reasons of foreign policy, security or neutrality. For all other states, export restrictions will remain just as stringent as before: exports will continue to be prohibited where there is a high risk that material could be used against the civil population, passed on to undesirable recipients or supplied to states that commit serious and systematic human rights violations.

Why a domestic defence industry matters

Switzerland's defence industry is small but highly specialised technologically. It represents an important component of the national security architecture and is closely linked to the civilian high-tech sector. Switzerland is not a full-range supplier of military systems. Its strength lies in security-relevant niches such as sensors, optoelectronics, air-defence technologies, precision mechanical components, as well as communication and command-and-control systems. These capabilities are essential to ensuring the operational readiness of military systems, for example through maintenance, replacement parts, further development and access to cutting-edge technologies. Without its own industrial capabilities, Switzerland's dependence on foreign suppliers increases during times of crisis. At the same time, Switzerland's standing vis-à-vis partner states diminishes: only those who contribute security-relevant capabilities themselves are perceived at the negotiating table as reliable and equal partners. Credible armed neutrality therefore requires not only operational armed forces, but also security-relevant industrial capabilities within the country.

The economic and technological base

The Swiss defence industry is organised around a highly specialised division of labour. It comprises around 12 systems manufacturers, some 120 producers of subsystems and components, and approximately 3,000 subcontractors. In addition, RUAG plays a special role as the technology and maintenance partner of the Swiss Armed Forces. The defence industry generates

around CHF 2.3 billion in value added and secures approximately 14,000 jobs. Even larger is the closely linked dual-use industry, with around CHF 34.6 billion in value added and some 137,000 jobs. The issue therefore extends far beyond a small number of individual arms manufacturers, instead encompassing a broad industrial and technological ecosystem.

Dual-use: civilian strength with security relevance

Dual-use goods are products, technologies or software that are developed and used for civilian purposes but may also have security-relevant applications. Depending on their specifications, these include, for example, machine tools, drones, GPS systems, microchips, space technologies, materials and components. They are not subject to the WMA, but rather to the Federal Act on the Control of Dual-Use Goods, Specific Military Goods and Strategic Goods (GCA), and are already strictly regulated.

Nevertheless, manufacturers of dual-use goods also feel the effects of a restrictive war-material policy. Many international partners fear that products from Switzerland may in future be usable or transferable only to a limited extent in security-related contexts. This uncertainty undermines Switzerland's reliability as a location – even when the issue is not war material, but highly advanced civilian technologies with security-relevant effects.

Why export capability is crucial

The Swiss domestic market is too small to sustain the development, production and innovation of modern security-relevant systems on its own. Without export opportunities, companies lose customers, scale, operational feedback and investment capacity. In the long term, this weakens not only individual firms, but also Switzerland's overall technological room for manoeuvre. Restrictive or unclear rules also increase uncertainty among partner states and promote the trend towards the relocation of know-how and production capacity abroad. As a result, Switzerland risks losing precisely those capabilities that are essential for security, defence capacity and technological sovereignty.

Conclusion

The revision of the WMA combines responsibility with security-policy realism. It maintains strict authorisation procedures and legal safeguards, while creating greater reliability for partner states. In doing so, it enhances Switzerland's security, protects security-relevant expertise and preserves an industrial base that is central to the country's ability to act.

Clear rules. A secure Switzerland. YES to the WMA. www.kmg-ja.ch