AFBS News September 2019 EN

Legislation and Regulation – Domestic

Financial Services and Financial Institutes: Entry into Force

The Federal Council decided entry into force of the legislation on 1.1.2020 and offers an extended transition of two years to specific prescriptions, in particular in the realm of collective investment schemes. It also published a summary of the major changes with respect to the draft Ordinance texts; the final version is expected to be published in November. **Info** : DE FR IT – PWC overview on transition periods: DE FR EN

USA-CH: Double Taxation Agreement

On 20 September 2019 the USA-CH DTA was ratified and thus entered into force. It defines new rules for the exchange of information upon request as it waives the distinction between tax evasion and tax fraud. Requests for information can be filed for instances having occurred after 23.9.2009, the date of signature of the agreement. Group requests are admitted also under the FATCA for instances having occurred after 20.6.2014. The response to such requests is to be submitted within ten days from receipt; information needs to be prepared adequately. **Info** : DE FR IT EN and SFTA guidance: DE FR IT EN

FINMA on Payments

The FINMA issues a complement to its guidance on ICO and provides further details on its understanding of **stable coins** . Their value is based upon underlying real values, which distinguishes it from bitcoin or ether currencies and should contribute to lower volatility. The document lists different types of stable coins, their characteristics and the FINMA's supervisory approach.
In the same moment the FINMA confirms having been approached by the Libra Association for an assessment of its intentions; it will adopt a "same business, same rules" attitude and outlines requirements. **Info** : DE FR IT EN

The State Secretariat for International Finance welcomes the **Libra** project and suggest that the initiative and its impact be analysed carefully at international level, such as by the Financial Stability Board. **Info** : DE FR IT EN

The FINMA publishes its Guidance 02/2019 on **Payments on the Blockchain** which confirms that the same rules apply as for traditional payments. Thus full information on the payer and the payee needs to be transmitted with the payment on the blockchain (Art 10 of the Anti-Money Laundering Ordinance). The transition between fiat and crypto money may only occur to and from wallets that belong to the financial intermediary's own clients. This restriction will be upheld as long as there is no safe standard for the transfer of client identification information on the blockchain. **Info** : DE FR IT EN

Equal Pay

The revised Law on Equal Conditions will enter into force on 1.1.2020. It requires firms with more than 100 staff to

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perform assessments on equal pay at latest by the end of June 2021. The assessment has to be repeated after four years if the results point to a gender-specific imbalance. As the law contains a sunset clause, it will automatically expire in 2032, unless Parliament extends the requirement. **Info** : DE FR IT

The Federal Office for Gender Equality makes available a tool allowing for a quick and easy assessment of a firm's salary situation. According to the outcome of the assessment, in-depth analysis may nevertheless become necessary in specific circumstances. **Info** : DE FR IT EN

SBA Mortgage Business

Following up on the impact of the low-interest rate environment the Swiss Bankers' Association SBA reviews its guidelines on mortgages for buy-to-let real estate. It recommends own capital to be at least 25 instead of 10% and to reduce within ten instead of fifteen years loans to two-thirds of the value. The FINMA recognises the self-regulation as minimum standard. **Info** : SBA: DE FR IT EN - FINMA: DE FR IT EN

Miscellanea

Federal Council on International Cooperation

The Federal Council publishes for comments its report on international cooperation 2021-2024. It intends to focus its contribution on the realms of economics, environment, humanitarian and governance. Strengthening of sustainability, reinforcing democracy and promoting digitalisation are areas of interest. **Info** : DE FR IT EN

Sustainable Finance

The Swiss Bankers' Association has issued a position paper on sustainable finance. It concludes that Switzerland benefits from tradition and know how which allows the financial centre to play a leading role. Therefore it is drafting recommendations for sustainable investing. To deploy the excellence at an international level, common standards as well as market access for Swiss providers are crucial. **Info** : DE FR

Economiesuisse has published a Dossier Politique on the topic: DE

The German supervisory authority BaFin published for comments draft guidelines for dealing with sustainability risks. **Info** : DE

Swiss Finance Institute: new offering

The Swiss Finance Institute, SFI, training and research institution initiated by the banks in Switzerland several years ago to promote excellence on the Swiss financial centre is reviewing its offering. In particular it deploys new activities which foster interaction between research and business: Master Classes and Knowledge Exchange seminars allow the industry professionals to gain insight intot the research work. **Info** : DE FR EN

Internal

Members

End of Membership

- HUGO FUND SERVICES, Geneva: merger with ACOLIN Fund Services AG.

- Paicolex Trust Management AG, Küsnacht: strategic decision.

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Calendar

- Audit Procedure for AEoI: Pascal Michel, Stefania Ferrari, Swiss Federal Tax Administration: Zürich: 30.10.2019; Geneva: 6.11.2019; Lugano: 11.11.2019.
- Digital Account Opening: Alex Geissbühler, Geissbühler Weber & Partner AG: Zürich: 19.11.2019; Lugano: 22.11.2019; Geneva: 26.11.2019.
- FinSA/FinIA Advisors' Registry: Michael Liebi, PricewaterhouseCoopers; Matthias Müller, BX Swiss AG: Geneva: 31.10.2019; Lugano: 8.11.2019; Zürich 11.11.2019.
- Cloud Usage by the Foreign Banks: … details follow

Last Minute

- SBA vote4finance guide to the electoral candidates with financial centre affinity: DE FR IT
- UN Environment Programme Finance Initiative (UNEP FI) and Global Landscapes Forum (GLF) roundtable on sustainable finance: 28-30.11.2019, Luxembourg:
- Presentation of the SIX Cyber Security Report: 12.11.2019 in Zürich: DE EN
- McKinsey on five possible challenges for legacy banks: LINK (16.7.2019)
- Asset Management Platform presents its study on the industry in Switzerland: DE FR EN
- KPMG Clarity on the performance of private wealth management banks in Switzerland: LINK
- SNB paper on the demand for Swiss banknotes: DOC
- AvenirSuisse paper on the free trade agreement with the USA: DE FR IT EN
- SIX event on cyber security: SIX Global Center for Cybersecurity on 12.11.2019: DE EN
- AvenirSuisse on Libra, the international financial system and Switzerland: DE FR EN
- SBA Banking Barometer 2019: latest edition now available in DE FR IT EN a nd the brochure on financial centre in figures: DE FR EN
- SFTA satisfaction survey: 47% of partners are satisfied, 20% very satisfied with the administration: DE FR IT
- OECD on tax morale: http://www.oecd.org/tax/tax-morale-f3d8ea10-en.htm
- SBA and BAK Economics on the banks' contribution to the Swiss economy: DE FR EN
- University of Geneva: study on impact of new rules on registration of work time: DE FR
- Scorpio Partnership & Appway study on expectations of private clients towards wealth managers: LINK

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