AFBS News November 2024

AFBS on LinkedIn

The Association invites you to join the AFBS community on Linkedin: LINK . You will receive posts on latest news regarding foreign banks in Switzerland and their engagement with the community, such as studies and reports.

AFBS Get Together 2025: on 4 June 2025 in Zürich

Legislation and Regulation: Switzerland

Federal Council

… acknowledges that **financial transaction tax** does not bring expected revenue because transactions move to other venues. It furthermore confirms that Switzerland already levies higher financial transaction tax than other jurisdictions which leads to competitive disadvantage that must not be worsened. Therefore, it renounces from levying such tax to finance old age pension. **Info**: DE FR IT

… sees negotiations with the EU well-advanced in most topic matters and continuing at pace on contribution to cohesion, electricity, and free movement of persons. Cohesion at Swiss internal level remains to be achieved. **Info**: DE FR IT EN

… announces the implementation of the **Swiss Financial Intelligence Public Private Partnership** ("Swiss FIPPP"), which shall foster information sharing among financial centre firms and government. Such partnerships are strongly recommended by FATF to improve combat of money laundering and terrorist finance; several international financial centres already have such platforms up and running. AFBS is involved through representatives of three member banks. **Info**: DE FR IT

… starts a revision of the **Financial Market Supervision Act**. Novelties come in the light of strengthened international cooperation in the realm of anti-money laundering. The consultation runs until 3 January 2025. **Info**: DE FR IT

… publishes reports containing an **analysis of two EU directives** compared to the Swiss legal framework: The "Directive on asset recovery and confiscation" – on which topic Swiss government is preparing regulation also – and the "Directive on criminal offences and penalties for the violation of EU restrictive measures". **Info**: DE FR IT

… decides to implement the Income Inclusion Rule (IIR) of OECD Global Minimum Tax scheme starting from 1 January 2025. The Ordinance on minimum taxation has been adapted accordingly. **Info**: DE FR IT

… publishes the changes in the Ordinance for the taxation at source including the implementing provisions. The Ordinance now regulates the case of a change of employer during the year. **Info**: DE FR IT

AFBS Info serves as a platform for early information and is submitted for confidential use only. Certain information may still be awaiting final approval and may thus be subject to change. Although all sources of information are selected with the utmost care, errors and inaccuracies cannot be excluded.

… adopts the dispatch on the implementation of the Berne Financial Services Agreement between Switzerland and the United Kingdom. Parliaments must accept the agreement before it can enter into force. FINMA welcomes the agreement and – responding to interest from industry – expects entry into force by end of 2025. **Info**: DE FR IT EN

MROS

… publishes a guide in co-operation with the OSCE to help financial intermediaries identify transactions related to human trafficking. The guide includes indicators, practical examples and good practices. **Info**: Guide: DE FR; Press Release: IT EN

FINMA

Federal Council approves FINMA's strategic objectives for the period of 2025-2028. The goals relate to the areas of supervision, resilience, framework conditions and organisation. **Info**: strategic goals: DE FR IT EN; Federal Council: DE FR IT EN

… publishes the Risk Monitor 2024. The main risks detected by FINMA are the following: Risks associated with real estate and mortgages, Credit risk, Market risk, Liquidity and funding risk, Market access, Money laundering, Sanctions, Outsourcing, Cyber risks, Supervisory focus. **Info**: DE FR IT EN and AFBS Summary: LINK

… publishes the updated audit points for banks regarding the compliance with money laundering regulation. **Info**: Audit points: DE; explanatory report: DE

… publishes the new Ordinance and the fully revised Circular Auditing. It transfers the majority of the rules on auditing from Circular 2013/3 "Auditing" to the new Regulatory Auditing Ordinance. **Info**: DE FR IT EN

… issues Circular 2025/02 Rules of Conduct under the FinSA. FINMA is setting out its supervisory practice on key aspects regarding information of clients. The Circular comes into force on 1 January 2025. **Info**: DE FR IT EN and Homburger: EN

SECO

publishes a standardised form that must be completed and sent back to SECO for exception requests in the realm of frozen assets or economic resources. **Info**: DE FR IT

Legislation and Regulation: International

Swiss Federal Tax Administration informs on the latest batch of exchange of information. In 2024 exchange took place with 108 countries, four more than in the previous year (Ecuador, Jamaica, New Caledonia, Sint Maarten). 27 countries did not receive information from Switzerland because they do not satisfy criteria for data protection and confidentiality (14) or do not collect data at all (13). No exchange at all took place with Russia. **Info**: DE FR IT

Digitalisation

SNB publishes an economic note on its issuance of digital SNB Bills settled in wholesale digital currency in a production environment. **Info**: LINK

The Federal Council issues a report on measures against ransomware attacks. It considers that corporates and government are equally exposed and need to protect themselves jointly wherever possible. Information sharing and coordinated measures are key to reinforce resilience. Training helps increasing awareness. Rather than

AFBS Info serves as a platform for early information and is submitted for confidential use only. Certain information may still be awaiting final approval and may thus be subject to change. Although all sources of information are selected with the utmost care, errors and inaccuracies cannot be excluded.

imposing further action by law, the report suggests enhancing information exchange. **Info**: DE FR

Sustainable Finance

The Federal Act on Climate and Innovation enters into force on 1 January 2025. The legislation enshrines climate goals and establishes basis for a Swiss climate policy. It promotes replacement of fossil heating, offers support of firms that establish a net-zero roadmap before 2030, promotes exchange among stakeholders working towards net zero. **Info**: DE FR IT

AFBS publishes its comments on the draft revision of the code of obligations for the introduction of the Corporate Sustainability Reporting Directive. **Info**: LINK; Comments by SBA: DE and economiesuisse: DE

The Federal Office for the Environment (FOEN) publishes this year's results of the PACTA Climate Test. Results show that more than 60% of financial institutions – especially banks – now include net-zero target in their corporate strategy. **Info**: LINK

The Council of the EU adopts a new regulation on environmental, social and governance rating activities. The rules shall make rating activities in the EU more consistent, transparent and comparable. **Info**: DE FR IT EN

The initiative "for a sustainable and future-oriented financial centre" has been launched. It aims at obliging firms to undertake measures to reduce their environmental impact, including direct and indirect emissions and impact on biodiversity along the entire value chain, and stop investments in fossil fuel. It requires the creation of a supervisory body. Deadline for submission is 26 May 2026. SBA confirms that there is already adequate regulation in place which banks apply consistently and that additional regulation merely increases complexity. **Info**: DE FR IT

Miscellanea

SECO updated the list of postings that are subject to reporting under the regime against mass immigration. The list is being updated annually in the fourth quarter and includes those jobs where unemployment is above 5%. **Info**: DE FR IT EN

SIX Payments Council confirms extension of parallel availability of ISO 20022 payment standard versions 2019 and 2022 until 11.2026 instead of 11.2024. **Info**: DE FR EN

The French confirms its competence in case of a third country bank servicing an EU resident customer. It bases its decision on the fact that the Lebanese bank offered international bank services; allowed contacts from third countries; made its website available in several languages, incl EN; had client contracts signed in France; had client advisers speaking French. **Info**: UniGE: FR

Last Minute

- Ebas starts a new campaign on secure eBanking, focusing on the dangers behind QR codes: DE FR IT EN
- EY publishes its Retail Banking Study outlining challenges the banks may face in the near future:LINK
- FATF updates high-risk jurisdictions LINK and jurisdictions under increased monitoring: LINK.
- RepRisk publishes a report on greenwashing: LINK
- AvenirSuisse publishes a set of key figures on Switzerland and offers background insight:DE FR EN
- Deloitte International Wealth Management Centre Ranking 2024: LINK
- SuisseNégoce launches its information platform Commodities Hub in four languages: DE FR IT EN
- Switzerland remains leader for international private wealth management: Deloitte: LINK

AFBS Info serves as a platform for early information and is submitted for confidential use only. Certain information may still be awaiting final approval and may thus be subject to change. Although all sources of information are selected with the utmost care, errors and inaccuracies cannot be excluded.

- University of Zürich publishes a thesis exploring the growing challenges of combating money laundering: LINK
- Swiss Sustainable Finance publishes a stocktake of Swiss Impact Investing: LINK
- AvenirSuisse on the in-depence of the Swiss National Bank: DE FR IT EN
- IOSCO publication on evolution of operation, governance, business models of exchanges: DOC
- FSB report on alignment of compensation with risk-taking: LINK

AFBS Info serves as a platform for early information and is submitted for confidential use only. Certain information may still be awaiting final approval and may thus be subject to change. Although all sources of information are selected with the utmost care, errors and inaccuracies cannot be excluded.