AFBS News February 2017 EN

45th Ordinary General Assembly: 23 March 2017, Geneva, on Perspectives on Fintech and Digitalisation with Guest Speaker Philipp Angehrn, Robert Buess, Roland Berger AG

Legislation and Regulation – Domestic

Depositor Protection Scheme

The Federal Council mandated the Federal Department of Finance to prepare a draft revision of the law on depositor protection along the following lines: disbursement in case of bankruptcy within seven days; obligation to deposit 50% of contribution commitment in securities; system ceiling of mininimum of 1.6% of total value of insured deposits. **Info**: DE FR IT

Data Protection Law

The Federal Council published for comments the draft revision of the Data Protection Law. It aligns the law to the technological development and to the revised EU regulation to maintain recognition of equivalence – this is necessary to allow cross-border data processing. The law strengthens the rights of persons whose data are stored and extends the data processor's obligations of information. The consultation ends on 4.4.2017. **Info**: DE FR IT

FINMA Draft Circular Outsourcing

The AFBS comments the draft revision of the FINMA Circular Outsourcing. It welcomes the proposed separation of business process from data protection. It suggest the Circular do not extend all requirements applicable to third party outsourcing also to intra-group outsourcing since outsourcing within a group follows different lines. The situation of branches of foreign banks as dependent entities should be taken into account. It also invites the FINMA to provide more specific guidance on the provision of outsourcing of personal data. **Info**: FINMA: DE FR IT EN – AFBS: doc

Typology Money Laundering Reporting

The MROS Money Laundering Reporting Office publishes a synopsis of ten different categories of offences it investigated over the past ten years. In each case it presents specific cases and key findings. **Info**: DE FR IT

Proposed FINTECH Regulation

The Federal Council published for comments its revision of the Bank Law in view of offering an attractive environment for FINTECH startups. It proposes exemptions for the acceptance of assets for settlement purposes and for the acceptance of public funds of up to CHF 1 Mio as well as simplifications of processes for authorisation and supervision. The industry sector welcomes the proposal, in particular the third point of streamlining processes and procedures, which could benefit all the financial firms. **Info**: DE FR IT EN

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Implementation FINFRAG and EMIR

On 9 February 2017 the FINMA published the revised Circulars Securities Journal, Organised Trading Facilities, Reporting Duties Securities Transactions. They enter into force on 1.1.2018. **Info**: DE FR IT EN

On 13 February 2017 the Federal Council published the draft revision of its Ordinance implementing the Financial Infrastructure Law. The revision aims at aligning the reporting deadlines of the Swiss regulation with those of the EU (EMIR). **Info**: DE FR IT

The FINMA also modifies the reporting requirements for the discretionary power to exercise voting rights as defined in the Financial Market Infrastructure Law. **Info**: DE FR IT EN

Legislation and Regulation – International

Automatic Information Exchange AIE

Switzerland continues extending its network of bilateral treaties in view of the introduction of the AIE. The Federal Council publishes for comments agreements with China, Colombia, Indonesia, Liechtenstein, Malaysia, Russia, Saudi-Arabia, United Arab Emirates as well as with a series of offshore places. The required tax information will be collected after 1.1.2018, and exchanged for the first time in 2019.

The AFBS welcomes the commitment of Switzerland to the AIE. However, to assure successful operating of the scheme, there needs to be monitoring and parties should have the possibility to suspend agreements in case of basic principles, such as data protection, not being respected. **Info**: SIF: DE FR IT EN

SIF on international financial and tax matters

In its report the State Secretariat for International Finance SIF underlines Switzerland's comparatively strong economy, despite a difficult environment. Regulation procedures are designed to allow involvement of stakeholders and evaluation of results. With respect to international tax, the report focuses on the automatic information exchange AIE and the base erosion and profit shifting programme BEPS. **Info**: DE FR IT EN

UK discusses Third Country Status

The CityUK, an agency for the promotion of UK-based financial services, has published a report on "The EU's Third Country Regimes and Alternatives to Passporting". It favours an agreement granting mutual market access on recognition of the respective regimes. Such an agreement should be as broad in scope as the current passporting regime. It could be used by the UK for agreements with other third countries and offer the EU a new way of dealing with third countries. The agreement should be transparent and assure legal certainty. The UK should avoid linking market access to recognition of equivalence, this process being inefficient, costly and difficult to predict. **Info**: link

Cyber Security

The latest report of the Federal Reporting Office for Information Security confirms that a large number of incidents of data theft occurs. Hackers gain access to secure data through social engineering, such as by sending fake alerts from a trustworthy sender inviting to download apps or open attachments. Then the malware unfolds and allows access to the IT system. **Info**: MELANI: DE FR IT EN

Agenda

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Events

Automatic Exchange of Information – the political dimension, Amb. F. Filliez, State Secretariat for International Financial Matters SIF: 13.3.2017 Zurich; 14.3.2017 Geneva; 21.3.2017 Lugano

AFBS Roundtable Risk Management Framework, W. Mathis, Habib Bank AG: 4.5.2017 Zurich; 5.5.2017 Geneva; 12.5.2017 Lugano

Last Minute

EY banking barometer 2017: cost and efficiency at core: DE // foraus thinktank on opportunities of FIDLEG/FINIG: link // BAKBASEL survey on the Zürich financial centre: in DE // seco report on innovationin Swiss firms: DE // The seco publishes OCED practice guidelines for multinational firms: DE ; FR // Is Malta a Tax Haven? ask The Greens: link and report: link // La Euro Banking Association on the national implementation of SEPA: link //report on the Zürich financial centre, and chapter on FINTECH: link // Transparency International's Corruption Index has been updated: link // Federal Council on review of corporate tax reform: DE ; FR ; IT ; EN and economiesuisse: DE ; FR ; IT

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