AFBS News JUNE 2019 EN

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Legislation and Regulation – Domestic

Automatic Exchange of Information AEoI

The Federal Council has published its dispatch on the conclusion of agreements on AEoI with 19 additional countries. It also issued a report on the state of readiness of the 33 countries with which Switzerland intends to exchange information in 2019. The report concludes that the partner countries are compliant even though not all have the same number of agreements in place and some punctual incidents of breach of data protection have been identified. The report contains a table with specificities on each country. **Info** : DE FR IT EN

AFBS Comments

Regarding the revision of the Law on Automatic Exchange of Information the AFBS aligns its comments to those of the Swiss Bankers' Association. It considers essential to be in line with the international standards to safeguard the interests of the Swiss economy as a whole. **Info** : AFBS Comments: DOC and SBA: DOC

The AFBS welcomes the two elements of the revision of the Bank Law regarding the depositor protection scheme and the segregation of book-entry securities. The first aligns the Swiss regime to the international standards by introducing a partial ex-ante financing and shortening deadlines for pay-out. The second obliges banks to segregate client and own portfolios also in book-entry securities. **Info** : www.afbs.ch

From LIBOR to SARON

On its Media Conference the Swiss National Bank SNB informed on steps it was undertaking in view of introducing SARON as a replacement of the LIBOR reference rate. The SNB supports the national working group's decision to use SARON as an alternative to LIBOR. It recommends banks to use SARON in financial products instead of LIBOR; it welcomes the banks' endeavours towards establishing a mechanism for calculating three-month interest rates. **Info** : DE FR IT EN

New legislative projects

The Federal Council publishes its dispatch to Parliament on the revision of the Anti-Money Laundering Act. It shall extend the scope of duties of diligence and communication to advisers when they provide services to domiciliary companies or trusts. The intermediaries shall be authorised to terminate a relation if their communication to the Money Laundering Reporting Office remains without news for more than 40. **Info** : DE FR IT EN

The Federal Council also publishes for comments a revision of the Collective Investment Schemes Act which shall

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introduce a new category of funds, the Limited Qualified Investor Fund L-QIF. Such a fund shall be exempted from approval and supervision by the FINMA but must be administered by a supervised entity. **Info** : DE FR IT EN

e-tax excerpt

The Swiss Federal Tax Administration and the cantonal tax authorities are cooperating in view of defining common standards for an electronic tax excerpt to be issued by banks and to be transmitted electronically to the tax authorities. The standard shall allow tax payers and tax authorities to receive and transmit tax information electronically. Only the taxpayer will transfer the data to the tax authorities; there will be no automatic transfer from the intermediary to the authorities. **Info** : DE FR

Legislation and Regulation – International

OECD

The OECD has issued an update of its report on **tax morale** . Beyond assessing the situation with individuals as tax payers the report also looks into the situation with corporate tax payers operating in developing countries. It identifies triggers and aims at contributing to improve efficiency of tax collection. Comments by stakeholders have been published: **Info** : LINK

The OECD agreed on next steps towards the taxation of the **digital economy** . The focus is on defining procedures and criteria for determining the place of taxation and for attributing shares of taxable income. **Info** : LINK

The OECD also issued a " **beneficial owner** toolkit" which is to assist jurisdictions in adopting rules for the understanding of financial structures and identifying their beneficial owners. The report explains structures, defines recommendations on transparency, examines technical aspects, and offers checklists. **Info** : LINK

Miscellanea

Payments

In a recent AFBS Conference the SIX speaker underlined the importance for banks to be ready for the new format of QR-bills which are going to be standard from end of June 2020. The new format is easy to use and payment slips no longer need to be printed on special paper. However, banks need to adapt their infrastructure. **Info** : DE FR EN and www.paymentstandards.ch

FINMA Dossiers

The FINMA prepares topical information on areas of current interest such as anti-money laundering, Fintech, Small Banks' Regime. Access is possible through the homepage: www.finma.ch .

Sustainable Finance

The Conference on the AFBS General Assembly focussed on sustainable finance and its opportunities for private wealth management. Speakers agreed that Switzerland has the clout to become a competence centre in that realm, especially also thanks to the presence of many multilateral organisations in the areas of humanitarian and

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environment. It is unclear up to what extent the investments should be regulated by state or industry itself; however, usage of a common terminology would improve transparency and ease investors' understanding. **Info** : DOC

The EU Commission adopted an action plan which focusses on three key activities: definition of a taxonomy for classification; defining benchmarks; duties for investors and asset managers. **Info** : Action Plan: LINK and technical report on taxonomy: LINK

The European Securities and Markets Authority (ESMA) has published two reports on integrating sustainability risks and factors, relating to environmental, social and good governance considerations into MiFID II, the AIMFD and the UCITS Directives. A final report is expected to be published by the end of July 2019. Info: LINK

Last Minute

The Financial Stability Board publishes its report on the implementation of compensation rules: LINK

Institutional framework agreement with the EU: economiesuisse DE FR and Swiss Bankers' Association: DE FR EN

AvenirSuisse on the economic strength of the Arc Lémanique: DE

The State Secretariat for International Finance SIF changes its information and will issue more frequently "specialist information" instead of press releases: DE FR IT EN

The Swiss Federal Tax Administration updates its Tax Info on current Swiss taxes: DE FR

AvenirSuisse on BlockChain: DE FR IT EN

The World Economic Forum lists five ways to fight cyber-attacks: LINK

The Swiss Bankers' Association presents Swiss banking in a short film: DE FR

The Swiss Parliament offers a flow-chart on the Swiss legislative process: DE FR IT

The European Banking Federation expresses its concerns about EU implementation of DAC6: LINK

The taxlawblog offers regular updates on key issues relating to the Swiss tax law: https://www.taxlawblog.ch/

The Swiss Bankers' Association issued its statement on market access: only DE: LINK

The Financial Stability Board publishes a report on decentralise financial technology: LINK

von Rundstedt and HR TODAY survey on the trends and challenges on the labour market: EN and FR

SIX event on cyber security: SIX Global Center for Cybersecurity on 12.11.2019: DE EN

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