

Regulatory developments

Synopsis of the most important regulatory developments in the banking and asset management industry

Status: 1 July 2020



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1. Chronological project overview

	Development		Consideration by Parliament		In force, end of final transition period
	Hearing/consultation		Publication of final regulation		Full application
	Publication of results of hearing/consultation/dispatch		Referendum deadline		≈ Estimated/approximately

1.1. Interdisciplinary projects

	Jan 2020	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 2021	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022	2023	2024	2025	2026	2027
Auditing																														
FINMA circ. 13/3 'Auditing' (adaptation to terminology of FinIA)	1.																													
FINMA circ. 13/3 'Auditing' (selective amendments in auditing)		7.	9.							r																				
Ord. on Supervisory Organisations in Financial Market Supervision (SOO)	1.																													
FINMA circ. 13/3 'Auditing' (ex-post evaluation)																									r					
Anti-money laundering/compliance																														
Federal Act to Increase the Effectiveness of Combating Money Laundering and Terrorist Financing																														
Anti-Money Laundering Ordinance (AMLO-FINMA)	1.																													
AMLO-FINMA (adjustments resulting from FinSA/FinIA)		7.	9.							r																				
Agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence (CDB 20)	1.																													
Federal Act to Implement the Recommendations of the Global Forum on the Transparency of Legal Entities and the Exchange of Information for Tax Purposes																														
FINMA circ. 16/7 'Video and online identification'	1.																													
FINMA circ. 16/7 'Video and online identification' (adoption of technological developments)										r	r																			
FINMA guidance 03/2020 (Facilitation for new business relationships until 1 July 2020)			7.							r																				
Organisation of financial market																														
Financial Services Act (FinSA)	1.	1.	1.																											
Financial Services Ordinance (FinSO)	1.	1.	1.																											
Financial Institutions Act (FinIA)	1.	1.	1.																											
Financial Institutions Ordinance (FinIO)	1.	1.	1.																											
FinIO-FINMA (adjustments resulting from FinSA/FinIA)		7.	9.							r																				
FMIA (assessment of the regulation)																														
FMIO (extended transitional period for small non-financial counterparties)																														
FMIO-FINMA (adjustments resulting from FinSA/FinIA)		7.	9.							r																				
Ord. to the Financial Market Supervision Act (FINMASA)																														
FINMA circ. 08/5 'Securities dealers' (repeal)		7.	7.	9.	9.					r																				
FINMA circ. 13/8 'Market conduct rules' (extension of scope of application)		7.	7.	9.	9.					r																				
FINMA circ. 13/9 'Distribution of collective investment schemes' (repeal)		7.	7.	9.	9.					r																				
FINMA guidance 04/2019 (Extension of transition period)	4.																													
FINMA guidance 01/2020 (FMIA/FMIO: derivatives trading)																														
FINMA guidance 04/2020 (Extension of deadline for first margin payments of certain OTC derivatives)																														

	2020						2021												2022	2023	2024	2025	2026	2027						
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec						
Other topics																														
Amendment to the Code of Obligations (Law on companies limited by shares)																														
Amendment of the Code of Obligations (indirect counter-proposal to the 'Responsible Business' initiative)																														
Gender Equality Act (EqA)(introduction of regular pay analyses)																														
Ord. on the Equal Pay Analysis Review																														
Federal Act on Data Protection (FADP) (total revision)																														
FINMA guidance 03/2018 (LIBOR: risks of potential replacement)																														
FINMA guidance 05/2020 (duty to report cyber attacks)																														
Federal Act on the Adaptation of Federal Law to Developments in Distributed Ledger Technology																														
Ord. on the implementing regulations relating to the Federal Act on the Adaptation of Federal Law to Developments in Distributed Ledger Technology																														
Sustainability in the Swiss financial sector																														

1.2. Banks/securities dealers

	2020						2021												2022	2023	2024	2025	2026	2027						
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec						
Accounting																														
FINMA Ord. on accounting and total revision of FINMA circ. 'Accounting – banks'																														
FINMA circ. 20/1 'Accounting – banks' (disclosure rules for account-holding securities firms)																														
FINMA guidance 03/2020 (Accounting treatment of COVID-19-Loans)																														
Disclosure																														
FINMA circ. 16/1 'Disclosure' (phase III)																														
Capital adequacy/risk diversification																														
CAO (gone concern requirements)																														
FINMA circ. 13/1 'Eligible equity capital' (recognition of allowances for past due receivables not considered to be impaired)																														
CAO (amendment relating to liquid and well-capitalised banks, mortgages used to finance residential investment property, TBTF parent banks)																														
CAO (deactivation of counter-cyclical capital buffer)																														
FINMA guidance 02/2020 (temporary exemptions for banks due to the COVID-19 crisis)																														
FINMA guidance 04/2020 (Temporary relief of backtesting results in the market risk model approach)																														
FINMA circ. 17/7 'Credit risks – banks' (deletion of concordance tables)																														
Basel III framework revision (post-crisis reforms)																														
FINMA circ. 19/1 'Risk diversification' (ex-post evaluation)																														
Liquidity																														
Liq/FINMA circ. 15/2 'Liquidity risks' (partial revision of NSFR)																														
FINMA circ. 15/2 'Liquidity risks – banks' (extension of simplifications to securities firms)																														
FINMA circ. 15/2 'Liquidity risks – banks' (Adjustments NSFR)																														
FINMA guidance 06/2020 (NSFR treatment of COVID-19-Loans)																														

	2020												2021												2022-2027															
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022	2023	2024	2025	2026	2027										
Credit business																																								
SBA minimum requirements for mortgage financing	1.					30.	1.																																	
SBA guidelines for the examination, valuation and treatment of mortgage-backed loans	1.																																							
COVID-19 Joint and Several Guarantees Ordinance			26.							25.																														
COVID-19 Joint and Several Guarantees Act			26.				21.		n	n	n	n																												
Organisation/risk management																																								
FINMA circ. 18/3 'Outsourcing'																																					1.4			
Regime for small banks																																								
Regime for small banks (pilot phase)																																								
FINMA circ. 08/21 'Operational risks' (adjustments to the regime for small banks)	1.																																							
FINMA circ. 11/2 'Capital buffer and capital planning' (adjustments to the regime for small banks)	1.																																							
FINMA circ. 15/2 'Liquidity risks' (adjustments to the regime for small banks)	1.																																							
FINMA circ. 16/1 'Disclosure' (adjustments to the regime for small banks)	1.																																							
FINMA circ. 17/1 'Corporate governance' (adjustments to the regime for small banks)	1.																																							
FINMA circ. 18/3 'Outsourcing' (adjustments to the regime for small banks)	1.																																							
FINMA circ. 17/7 'Credit risks'/FINMA circ. 19/1 'Risk diversification' (amendment of current exposure method)	1.																																							
Other topics																																								
BankA (strengthening depositor protection)							19.	n																												n				
BankA (participation capital of a cooperative bank)	1.																																							
National Bank Ord. (NBO) (Amendment due to the entry into force of FinSA/FinIA and adjustment of the minimum reserve requirements)	1.																																							
FINMA circ. 10/2 'Repo/SLB' (repeal)			7.	9.				n																																

1.3. Fund management companies/investment funds/ representatives of foreign collective investment schemes

	2020												2021												2022-2027																
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2022	2023	2024	2025	2026	2027											
CISA (introduction of funds not subject to authorisation)																																						n			
CISO-FINMA (adjustments resulting from FinSA/FinIA)			7.	9.			n																																		
FINMA Collective Investment Schemes Bankruptcy Ordinance (CISBO-FINMA)(ajustments resulting from FinSA/FinIA)			7.	9.			n																																		
FINMA circ. 18/3 'Outsourcing' (extension of scope of application)			7.	9.			n																																		
SFAMA guidelines														n																											

2. Interdisciplinary projects

2.1. Auditing

FINMA circular 13/3 'Auditing' | Adaptation to terminology of FinIA

Status: • In force since 1 January 2020

- Formal adaptation of the regulatory text to FinIA terminology.
- Deletion of special provisions for the audit of directly subordinated financial intermediaries (DSFI).

FINMA circular 13/3 'Auditing' | Selective amendments in auditing

Status: • Hearing until 9 April 2020
• Expected entry into force: Q4 2020

- Current practice confirmed in the circular: After a change of mandate, the new audit firm may base its assessment of control risks on the audit results of the previous audit firm.
- Audit of banks: Introduction of a new audit area: risk-weighted assets calculated using internal models approved by FINMA.
- Audit of collective investment schemes:
 - Introduction of a deadline for the submission of risk analysis and audit strategy by newly approved institutions of three months after the licence is granted;
 - Adjustment of the deadline for the submission of the audit report for custodian banks from three months (after the end of the financial year of the fund management company/SICAV) to four months (after the end of the financial year of the custodian bank).

FINMA circular 13/3 'Auditing' | Ex-post evaluation

Status: • Ex-post evaluation expected in 2022

- Assessment of the effectiveness of the originally enacted regulation.

Ordinance on Supervisory Organisations in Financial Market Supervision (SOO)

Status: • In force since 1 January 2020

- Regulation of the continuous supervision and supervisory tools relating to asset managers and trustees.
- Conditions for the authorisation of audit firms and lead auditors.

2.2. Anti-money laundering/compliance

Anti-Money Laundering Act (AMLA)

- Status:**
- Federal Dispatch to Parliament published on 26 June 2019
 - Non-approval of introduction decided by National Council on 2 March 2020
 - Consideration by the Council of States pending
 - Expected entry into force as of beginning of 2021, at the earliest
-

- Stipulates the explicit duty of financial intermediaries to check the details of the beneficial owner.
 - Duty to perform a regular risk-based review of whether the client documentation is up to date.
 - Advisory services (foundation, acquisition, disposal, administration and funding) of
 - domiciliary companies with registered offices in Switzerland or abroad; and
 - trustsare subject to the requirements of the ALMA, and introduction of the due diligence, auditing and reporting obligations for advisors.
 - Extension of the duty of due diligence for traders to cover traders in precious metals and precious stones for transactions above CHF 15,000.
 - Associations that collect or distribute assets abroad for charitable purposes must be entered in the commercial register.
-

FINMA Anti-Money Laundering Ordinance (AMLO-FINMA)

- Status:**
- In force since 1 January 2020
-

- Extension and specification of the criteria that indicate business relationships involving higher risks.
 - Specification of the requirements relating to group-wide compliance with the fundamental principles of money-laundering prevention and the overall monitoring of legal and reputation risks by financial intermediaries engaged in activities abroad.
 - Threshold for cash transactions with occasional customers and the subscription of unlisted collective investment schemes lowered from CHF 25,000 to CHF 15,000.
 - Duty to check the information about the client and the beneficiary involved in a payment transaction.
 - Due to the disputed legal basis, the duties concerning the regular update of client documentation and checks of the information on beneficial owners are no longer part of the AMLO-FINMA.
-

FINMA Anti-Money Laundering Ordinance (AMLO-FINMA) | Adjustments resulting from FinSA/FinIA

- Status:**
- Hearing until 9 April 2020
 - Expected entry into force: Q4 2020
-

- Repeal of the status of directly subordinated financial intermediary (DSFI).
- Threshold for cash transactions requiring identification of the customer in spot transactions lowered from CHF 5,000 to CHF 1,000.
- Simplification of the due diligence requirements for granting consumer credit.
- Obligation for asset managers to make enquiries about the identity of the policyholder or the actual premium payer in the case of life insurance policies with separate account or custody account management (insurance wrapper).

Agreement on the Swiss banks' code of conduct with regard to the exercise of due diligence (CDB 20)

Status: • In force since 1 January 2020

- Threshold for cash transactions requiring identification of the contracting partner in spot transactions lowered from CHF 25,000 to CHF 15,000.
- FINMA circ. 'Video and online identification' formally included in the CDB.
- Deadline to obtain missing information or documents when opening a new account cut from 90 days to 30 days.
- Update of the provisions regarding the abridged procedure before the CDB supervisory board.
- Specification and simplification of forms A, I, K, S and T.

Federal Act to Implement the Recommendations of the Global Forum on the Transparency of Legal Entities and the Exchange of Information for Tax Purposes

Status: • In force since 1 November 2019
• Transitional period for conversion to registered shares ends 1 May 2021

- Conversion of bearer shares into registered shares for non-listed companies and companies that do not issue shares as intermediated securities.
- Introduction of a system of sanctions for breaches of the following duties:
 - Reporting by the shareholders of the beneficial owners; and
 - Keeping registers of shareholders and beneficial owners.
- Right of inspection of authorities and financial intermediaries.
- Amendments to various laws: Code of Obligations, Criminal Code, Tax Administrative Assistance Act and Intermediated Securities Act.

FINMA circular 16/7 'Video and online identification'

Status: • In force since 1 August 2018
• Transitional period until 1 January 2020

- Amendment of the circular to take into consideration rapid technological change.
- Video identification:
 - Verification using a one-time transaction number (TAN) is no longer required;
 - At least two security features contained in the identification documentation should now be verified.
- Online identification: Customer due diligence no longer requires payment transfer from a Switzerland-based bank. Under specific rules, a payment transfer from a bank based in a Financial Action Task Force (FATF) member country will now suffice.
- Using liveness detection to check photos.
- Identification documents are compared with reference data if the financial intermediary is not familiar with the documents submitted.

FINMA circular 16/7 'Video and online identification' | Adoption of technological developments

Status: • Hearing expected in Q4 2020
• Expected entry into force: second half of 2021

- Adoption of technological developments.

FINMA guidance 03/2020 | Facilitation for new business relationships entered into before 1 July 2020

- Status:**
- In force since 7 April 2020
 - Valid until 1 October 2020, with the possibility of an extension, if necessary

-
- Facilitation for new business relationships entered into before 1 July 2020: extension of the 30-day period set out in art. 45 Swiss Banks' Code of Conduct with Regard to the Exercise of Due Diligence (CDB 20) to 90 days in cases where the identification document's authenticity has not been confirmed.
 - Extension of facilitation by FINMA guidance 06/2020 dated 19 May 2020:
 - Regarding new business relationships for which the exemption as set out in guidance 03/2020 has been or will be taken up by 1 July 2020, the confirmation of authenticity must be received within a maximum 120 days (instead of 90 days) from the opening of the relationship.
 - For new openings with clients domiciled abroad, the exemption as set out in guidance 03/2020 can be applied beyond 1 July 2020 until 1 October 2020. The confirmation of authenticity must be received within a maximum 120 days from the opening of the relationship.
 - Facilitation may be extended or modified by FINMA, as necessary.

2.3. Organisation of financial market

Financial Services Act (FinSA)

- Status:**
- In force since 1 January 2020
 - Transition periods up to two years after entry into force

-
- Adjustment of the code of conduct and product rules in the customer segment concerned (private customers/professional customers):
 - Information on financial services provider, service and product, including by means of a key information document;
 - Suitability check before transactions involving financial instruments (except 'execution-only');
 - Suitability check if providing advice and asset management services.
 - Guidelines regarding the organisation of financial services providers and the avoidance of conflicts of interest.
 - Duty to inform about accepting compensation from third parties or obligation to pass on compensation from third parties.
 - Obligation to enter client advisers in the register of client advisers if financial service providers are not supervised in accordance with FINMASA, and to engage in continuing professional education and training.
 - Extension of legal means in favour of customers, including right to the publication of documents.
 - Transitional periods after entry into force:
 - Six months for the registration of client advisers and affiliation of financial services providers with an ombudsman;
 - Two years for the introduction of the duties relating to the provision of financial services (e.g. duty to publish a prospectus for securities, key information document for financial instruments, publication).

Financial Services Ordinance (FinSO)

- Status:**
- In force since 1 January 2020
 - Transitional period until 31 December 2021 to comply with the duties regarding client segmentation, expertise, code of conduct, organisation
 - Various other transitional periods for the publication of prospectuses and key information documents

-
- Specification of financial service providers' duties to provide advice and information.
 - Implementing regulations for the provisions of the FinSA:
 - Organisation of financial services providers;
 - New register of client advisers;
 - Client documentation;
 - Ombudsman services;
 - Prospectus when offering securities;
 - Key information document.
 - If a financial service provider wants to comply with the requirements for the organisation and rules of conduct before the expiry of the transitional period of two years, it must irrevocably notify its auditor of the selected transition date. Until then, the previous regulations of the Stock Exchange Act (SESTA) or the Collective Investment Schemes Act (CISA) shall continue to apply.

Financial Institutions Act (FinIA)

- Status:**
- In force since 1 January 2020
 - Transition periods up to three years after entry into force

-
- Regulation of the licensing obligation and the supervision of all financial service providers that operate an asset management business, i.e. asset managers, trustees, fund administrators, fund managers and securities firms.
 - Banks, insurance companies and pension funds, among others, are not subject to the Financial Institutions Act.
 - Definition of the licensing requirements with regulations concerning the organisation, assurance of proper conduct of business, legal form, risk management, internal controls and capital requirements.
 - Transitional periods:
 - *Financial institutions that have a licence in accordance with FINMASA when FinIA enters into force:* These institutions do not require a new licence, but must comply with the requirements of FinIA by 31 December 2020.
 - *Financial institutions newly subject to a licensing obligation:* Must notify FINMA within six months of entry into force and must satisfy the requirements of this act and submit a licence application within three years of the act's entry into force;
 - *Asset managers and trustees:* Must notify FINMA immediately if business activities are started within one year of FinIA entering into force, with affiliation and submission of a licence application to the supervisory organisation within one year of approval by the supervisory organisation.

Financial Institutions Ordinance (FinIO)

- Status:**
- In force since 1 January 2020
 - Individual transition periods up to three years after entry into force

-
- Specification of the implementing provisions relating to the Financial Institutions Act (FinIA).
 - Regulations relating to authorisation and organisational requirements for supervised financial institutions.

FINMA Financial Institutions Ordinance (FinIO-FINMA) | Adjustments resulting from FinSA/FinIA

- Status:**
- Hearing until 9 April 2020
 - Expected entry into force: Q4 2020
 - Transitional period: one year after entry into force, for managers of collective investment schemes and fund management companies that have a licence at the time of entry into force

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- Requirements concerning professional liability insurance for asset managers and trustees.
 - Detailed regulations for fund administrators: Regulation of the assets to be taken into account for the calculation of the de minimis threshold.
 - Detailed regulations for fund administrators and fund management companies:
 - Requirements concerning risk management, compliance and internal control system;
 - Requirements concerning professional liability insurance;
 - Requirements concerning the regulatory audit and financial audit.
 - Regulation of the capital adequacy reporting form for securities firms that do not hold accounts.

Financial Market Infrastructure Act (FMIA) | Assessment of the regulation

- Status:**
- Carried out by the Federal Department of Finance

-
- Assessment of FMIA as of 2019 in light of international and technological developments.

Financial Market Infrastructure Ordinance (FMIO) | Extended transitional period for small non-financial counterparties

- Status:**
- In force since 1 January 2019
 - Transitional period until 1 January 2024

-
- Extension of transitional period to 1 January 2024 for small non-financial counterparties to report derivatives transactions.
 - No change in transitional deadlines for financial counterparties and for non-financial counterparties which are not small.
 - Review of FMIO to be initiated as of 2019 in light of international and technological developments.

FINMA Market Infrastructure Ordinance (FMIO-FINMA) | Adjustments resulting from FinSA/FinIA

- Status:**
- Hearing until 9 April 2020
 - Repeal expected Q4 2020

-
- Adoption in the FINMA regulations of newly created regulations in the superordinate legislation (FinSA and FinIA).

Ordinance to the Financial Market Supervision Act (FINMASA)

- Status:**
- Entry into force as of 1 February 2020
 - Transitional period for adjustment of regulation not applicable at all levels until 31 January 2025

- Specification of the role and competences of the financial market authorities with regard to regulation and international standard setting.
- Regulation of the cooperation between the FDF and FINMA.
- Specification of the requirements, principles and process for FINMA regulations.
- Check all regulations in terms of their fairness at all levels and make any necessary adjustments within five years of their entry into force.

FINMA circular 08/5 'Securities dealers' | Repeal

- Status:**
- Hearing until 9 April 2020
 - Repeal expected Q4 2020

- Repeal of the circular, as its provisions are largely contained in the Financial Institutions Act (FinIA) and the Financial Institutions Ordinance (FinIO).

FINMA circular 13/8 'Market conduct rules' | Extension of scope of application

- Status:**
- Hearing until 9 April 2020
 - Expected entry into force: Q4 2020

- Extension of the scope of application to include asset managers and trustees.
- Addition to examples of market manipulation of 'painting the tape' involving sell-side and buy-side.

FINMA circular 13/9 'Distribution of collective investment schemes' | Repeal

- Status:**
- Hearing until 9 April 2020
 - Repeal expected Q4 2020

- Repeal of the circular, as the offering of financial instruments is regulated definitively by the Financial Services Act (FinSA).

FINMA guidance 04/2019 | Extension of transitional period

- Status:**
- Published 13 December 2019
 - Extension of transitional period until 4 January 2021

- Basic obligation, as of 4 January 2020, in accordance with the transitional provisions set out in art. 131 para. 5^{bis} FMIO for the exchange of securities relating to OTC derivative transactions that are not settled centrally, which involve share options, index options or similar equity derivatives, such as derivatives based on a basket of shares.
- FINMA guidance 04/2019 extends the transitional period to 4 January 2021.

FINMA guidance 01/2020 | Financial Market Infrastructure Act and Ordinance: derivatives trading

Status: • Published 20 March 2020

- Clarifications by FINMA of the application in Switzerland of the joint statement of the Basel Committee on Banking Supervision (BCBS) and the International Organisation of Securities Commissions (IOSCO) dated 5 March 2020:
 - Amendments to derivative contracts due to interest rate benchmark reforms do not require the application of the margin requirements;
 - Regulation of potential documentation, custodial or operational requirements.
- Derivatives contracts not previously subject to a clearing obligation should not be subject to such an obligation even if fallback clauses are introduced.
- Postponement of decision on naming the derivatives that must be traded on a platform until the current review of the FMIA, started in 2019, is completed.

FINMA guidance 04/2020 | Extension of the timeframe to exchange initial margins for certain OTC derivatives

Status: • In force since 14 April 2020
• Extension of transition period until 1 September 2022 latest

- Extension of the deadlines according to art. 131 para. 5 lit. d^{bis} and lit. e FMIO for completing the final two implementation phases of the margin requirements for non-centrally cleared OTC derivatives by one year.
- Duty to exchange initial margins applies to counterparties whose aggregated month-end average gross position of non-centrally-cleared OTC derivatives at group or financial or insurance group level:
 - is greater than CHF 50 billion for each of the months of March, April and May 2021: from 1 September 2021;
 - is greater than CHF 8 billion for each of the months of March, April and May 2022: from 1 September 2022.

2.4. Other topics

Code of Obligations | Amendment to the Law on companies limited by shares

- Status:**
- Adopted by Parliament on 19 June 2020
 - Revisions to the Law published on 30 June 2020
 - Referendum deadline: 8 October 2020
 - Expected entry into force as of beginning of 2021, at the earliest

-
- Implementation of the provisions of the Ordinance against excessive remuneration in listed companies limited by shares (ERCO) in federal law.
 - Establishes guidelines for signing-on bonuses and compensation for prohibition of competition.
 - Liberalisation of the incorporation and capital provisions.
 - Better alignment of the law on companies limited by shares (Company Law) to the new Accounting Law, e.g. regarding a company's own shares and the use of foreign currencies in accounting and financial reporting.
 - Gender quotas for the Board of Directors (min. 30% each) and Executive Board (min. 20%) of large listed companies (>250 employees), 'comply or explain' clause.
 - Proposed solutions with regard to shares held that are not recorded in the stock register (so-called 'dispo shares').
 - Increased transparency requirements applicable to the commodities sector through the disclosure of payments to state-owned entities.
 - More flexibility for conducting general meetings by electronic means.

Code of Obligations | Indirect counter-proposal to the 'Responsible Business Initiative'

- Status:**
- Adopted by Parliament on 19 June 2020

-
- Obligation to publish a report on non-financial matters, in particular on CO₂ objectives, social issues, human rights, employee concerns and the fight against corruption, applicable to
 - Public Interest Entities,
 - with at least 500 full-time positions on an annual average on a group basis, and
 - which exceed one of the following criteria in two consecutive financial years: Total assets: CHF 20 million,
 - Turnover: CHF 40 million.
 - Introduction of due diligence and transparency requirements in relation to minerals and metals from conflict zones and to child labour
 - Compliance with duties of due diligence regarding the supply arising from the trade and processing of specified metals from conflict zones and high-risk areas;
 - Compliance with duties of due diligence when offering products or services that are under reasonable suspicion of being produced or supplied using child labour.
 - Reporting on the fulfilment of the duties of due diligence.

Gender Equality Act (EqA) | Introduction of regular pay analyses

Status: • Entry into force: 1 July 2020

- Employers must conduct a pay analysis every four years if they have more than 100 employees.
- Employer is exempted if the analysis shows pay is equal.
- Pay analyses performed using a standard analysis tool provided by the Federal Government or using a scientific and legally compliant method.
- Review of internal pay analysis by an independent body:
 - Authorised audit firm; or
 - Organisations for the representation of employees or the promotion of gender equality.
- Duty to provide information about the results of the equal pay analysis
 - to the shareholders of listed companies in the notes to the financial statements; and
 - to the employees.
- Measures limited to a period of twelve years until 30 June 2032.

Ordinance on the Equal Pay Analysis Review

Status: • Entry into force: 1 July 2020
• First equal pay analysis for companies with at least 100 employees to be carried out by 30 June 2021, at the latest.

- Regulation of the training of lead auditors who carry out equal pay analyses on behalf of employers.
- Determining the subject of the audit.
- Limitation of the period of application of the Ordinance until 30 June 2032.

Federal Act on Data Protection (FADP) | Total revision

Status: • Considered by the National Council for the last time on 5 March 2020 and by the Council of States on 2 June 2020

- Extended duties to provide information and keep records.
- Strengthening of the supervisory body and tighter sanctions.
- Takes into consideration the EU's General Data Protection Regulation (EU-GDPR), which applies as of 25 May 2018, and the Council of Europe's Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data (ETS 108).
- Companies that have cross-border business in the EU must observe the provisions of EU-GDPR.
- In September 2018, Parliament approved a phased approach to the bill:
 - 1. Implementation of EU Directive 2016/680 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties (further development of the Schengen acquis).
 - 2. Total revision of the Federal Act on Data Protection (FADP) by approx. end of 2019.

FINMA guidance 03/2018 | LIBOR: risks of potential replacement

Status: • Replacement of LIBOR by the end of 2021 at the latest

- Banks currently participating in fixing the LIBOR will be no longer compelled to contribute rates from 2021 onwards.
- The National Working Group on Swiss Franc Reference Rates (NWG) is developing reform proposals to replace LIBOR.
- Establish a basis for replacing the CHF LIBOR with the introduction of the Swiss Average Rate Overnight (SARON).
- Risks for the institutions:
 - Legal risks relating to contracts for financial products that have a final maturity date after 2021;
 - Valuation risks relating to derivatives and lending contracts that reference LIBOR;
 - Operational readiness.
- FINMA recommends addressing the challenges of a potential replacement of LIBOR in good time.

FINMA guidance 05/2020 | Duty to report cyber attacks

Status: • Published on 7 May 2020

- Reminder of the legal requirement to report cyber attacks of substantial importance to the supervision.
- Report an initial assessment within 24 hours.
- Report should be submitted within 72 hours in accordance with a list included in the FINMA guidance.

Federal Act on the Adaptation of Federal Law to Developments in Distributed Ledger Technology

Status: • Federal Dispatch to Parliament published on 27 November 2019
• Consideration by the National Council on 17 June 2020; consideration by the Council of States pending.

Legal framework for the amendments to several laws in connection with blockchain/distributed ledger technology (DLT):

- In the Code of Obligations: Increase legal certainty for the transfer of DLT-based assets by creating the possibility of digital registers of rights, which can guarantee the functions of securities.
- In the Federal Act on Debt Collection and Bankruptcy: Increase legal certainty by explicitly regulating the segregation of crypto-based assets in the event of bankruptcy.
- In the Banking Act: Regulation of the treatment of crypto-based assets as custodial assets and on the segregation of public deposits.
- In the Financial Market Infrastructure Act: Create a new licence category for DLT-based trading systems.
- In the Financial Institutions Act: Create the possibility to obtain a licence to operate an organised trading facility as a securities firm.

Ordinance on the implementing regulations relating to the Federal Act on the Adaptation of Federal Law to Developments in Distributed Ledger Technology

Status: • Consultation expected in October 2020

- Implementation of the adaptations of the Federal Act on the Adaptation of Federal Law to Developments in Distributed Ledger Technology in relevant ordinances and implementing decrees.

Sustainability in the Swiss financial sector

- Status:**
- Publication of the report of the Federal Council of 24 June 2020 on sustainability in the financial sector
 - Further development expected by the end of 2020
-
- Review of the financial market regulation on behalf of the Federal Council as to whether adjustments are necessary with regard to transparency and risk analysis.
 - Create a framework to increase the competitiveness of the Swiss financial centre.
 - In-depth review of the following points:
 - The obligation to disclose systematically relevant and comparable information to customers, owners and investors;
 - Strengthening legal certainty in connection with due diligence;
 - Consideration of climate and environmental risks and their effects on financial stability issues.

3. Banks/securities firms

3.1. Accounting and reporting

FINMA Accounting Ordinance and total revision of FINMA circular 20/1 'Accounting – banks'

- Status:**
- In force since 1 January 2020
 - Application of the provisions for the creation of value adjustments for default risks in the financial statements for the 2021 financial year, at the latest
 - Transitional periods for the creation of value adjustments for expected losses and for inherent default risks until 31 December 2025, at the latest
-
- Enactment of the FINMA ordinance on accounting, which contains the fundamental provisions on valuation and recognition, and the integration of accounting and disclosure practice and the existing FAQs in the total revision of FINMA circ. 20/1.
 - Introduction of an approach for calculating allowances for past due receivables not considered to be impaired in addition to the specific allowances for doubtful accounts receivable:
 - Category 1 and 2 banks:
 - Expected loss approach in accordance with the international accounting standard used;
 - If no international accounting standard is used, the expected losses are determined on the basis of:
 - Model-based expected loss approach for all portfolios using the IRB approach;
 - a simplified approach for other holdings.
 - Category 3 banks with significant activities in the interest rate spreads business:
 - Creation of value adjustments for inherent default risks
 - Other banks:
 - Creation of value adjustments for inherent default risks.
 - Banks can voluntarily apply a stronger, more comprehensive approach.
 - Value adjustments for expected and inherent losses may be used for specific allowances for doubtful accounts unless international accounting standards are applied.
 - Disclosure of:
 - Methods, data and assumptions for the recognition of allowances for past due receivables not considered to be impaired;
 - Parameters relating to the use, underfunding and rebuilding of value adjustments for expected and inherent losses.

FINMA circular 20/1 'Accounting – banks' | Disclosure rules for account-holding securities firms

- Status:**
- Hearing until 9 April 2020
 - Expected entry into force: Q4 2020

-
- Securities firms subject to the same disclosure rules as applicable for banks.

FINMA guidance 03/2020 | Treatment of COVID-19 credits

- Status:**
- In force since 7 April 2020

-
- Treatment of COVID-19 credits in the financial reporting of banks and in the interest risk report

3.2. Disclosure

FINMA circular 16/1 'Disclosure – banks' | Phase III

- Status:**
- Basel Committee standard published on 11 December 2018
 - Implementation in Swiss law pending, expected entry into force: approx. 2023

-
- Extension of the duties of disclosure in the areas of:
 - Credit valuation adjustment (CVA);
 - Regulatory treatment of problematic activities;
 - Qualitative and quantitative information on operational risks;
 - Comparison of risk-weighted assets calculated using model-based and standardised approaches;
 - Encumbered/ceded assets;
 - Dividend restrictions.
 - Adaptation of the other current disclosure templates and tables from Phase II.

3.3. Capital adequacy/risk diversification

Capital Adequacy Ordinance (CAO) | Gone-concern capital, deduction of financial interests in subsidiaries and other amendments

- Status:**
- In force since 1 January 2019
 - Transitional periods for additional gone-concern minimum capital requirements until 2025

-
- Introduction of gone-concern minimum capital for domestic systemically important banks (D-SIBs).
 - Investments in group companies active in financial services: deduction of financial interests from capital (from an individual company perspective) replaced by a financial interest risk-weighting for group companies based in:
 - Switzerland: 250%
 - Abroad: 400%
 - Group companies that provide the services necessary for the continuation of a bank's business processes are subject to consolidated supervision by FINMA.

FINMA circular 13/1 'Eligible equity capital – banks' | Recognition of allowances for receivables not considered to be impaired

- Status:**
- In force since 1 January 2020
 - The previous requirements may continue to be applied for the 2020 financial statements

-
- Regulation for the recognition of allowances for past due receivables not considered to be impaired and provisions for off-balance-sheet transactions past due but not considered to be impaired in the supplementary capital T2.

Capital Adequacy Ordinance (CAO) | Amendment relating to particularly liquid and well-capitalised banks, mortgages used to finance residential investment property, TBTF parent banks

Status: • In force since 1 January 2020

- Establishing the conditions for participation in the small bank regime
 - Category 4 or 5 institutions;
 - Simplified leverage ratio of at least 8%;
 - Liquidity ratio at least 110%;
 - Refinancing rate at least 100%.
- Establish the simplified requirements of the small bank regime
 - No requirement to calculate the minimum capital requirements using risk-weighted assets;
 - If the conditions for the small bank regime are not met: Institution is subject to a duty of notification and the conditions must be fulfilled again within one year of the simplified requirements being withdrawn.
- Category 3 (with insignificant derivative positions), 4 and 5 banks continue to use the current exposure method to value derivatives until 31 December 2021, with the intention of revising the current exposure method.
- The planned increase in risk weighting rates for residential properties with mortgages of more than two thirds of the market value, as envisaged in the consultation, will not be implemented as these have been SBA minimum requirements for mortgage financing tightened.
- Fulfilment of special requirements by systemically important banks with regard to parent banks.

Ordinance on Capital Adequacy and Risk Diversification (CAO) | Deactivation of counter-cyclical capital buffer

Status: • Deactivated as of 28 March 2020

- Repeal of the counter-cyclical capital buffer of 2% Core Tier 1 capital for risk-weighted positions of mortgage loans directly and indirectly financing residential property located in Switzerland.

FINMA guidance 02/2020 | Temporary exemptions for banks due to the COVID-19 crisis

Status: • In force since 31 March 2020
• Valid until 1 July 2020, with the possibility of an extension, if necessary
• Exemptions relating to the leverage ratio extended until 1 January 2021

- Clarifications for dealing with the COVID-19 credits with federal guarantees within the framework of the capital and liquidity requirements.
- Temporary exemptions relating to risk diversification:
 - The relaxation applied to risk diversification will not be continued due to lack of demand and will end on 1 July 2020.
- Temporary exemptions relating to the leverage ratio:
 - Reduction of the relief in the leverage ratio calculation in the event of dividend distributions in accordance with FINMA guidance 03/2020 dated 7 April 2020.
 - FINMA guidance 06/2020 extended the leverage ratio relief until 1 January 2021. This also applies to the reduction of the relief in the leverage ratio calculation in the event of dividend distributions.
- FINMA shall extend the exemptions, if required.

FINMA guidance 04/2020 | Temporary exemption concerning backtesting results in the model approach to market risk

Status: • In force since 14 April 2020

- Temporary exemption concerning backtesting results in the model approach to market risk.
- Adoption of exemptions in supervisory practice in accordance with FINMA guidance 06/2020 dated 19 May 2020. Consequently, this exemption shall continue to apply after 1 July 2020.

FINMA circular 17/7 'Credit risks – banks' | Deletion of concordance tables

Status: • Hearing until 9 April 2020
• Expected entry into force: Q4 2020

- Deletion of concordance tables for the classification of external ratings into rating classes from the circular and the FINMA website.

Basel III framework revision | Post-crisis reforms

Status: • Consultation for transposition into national regulation: expected in spring 2022
• Implementation of most of the Basel Committee's reforms by 1 January 2023
• Phased increase of output floors for internal model-based approaches from 2023 to 2028

- Revisions to the standardised approach for weighting credit risks through:
 - Greater differentiation of risk weights rather than using flat rates, especially for exposures secured by residential or commercial property depending on the loan-to-value ratio; and
 - Further assessment requirements for the application of external ratings.
- Use of the advanced IRB approach not allowed for certain exposure classes, especially exposures to corporates and to financial institutions.
- Revisions to the calculation methodology of credit valuation adjustments (CVAs).
- Replacement of previous approach to minimum capital requirements for operational risk (basic indicator, standardised and advanced measurement approaches) by a standardised approach based on earnings and historical losses.
- Revision of the calculation methodology of the leverage ratio and introduction of a leverage ratio buffer for global systemically important banks (G-SIBs).
- Output floor set for the internal model-based approaches at a minimum of 72.5% of risk-weighted assets calculated using the standardised approaches.
- Entry into force of the requirements for calculating minimum capital requirements for market risks (FRTB) postponed from 2019 to 1 January 2023.
- Simplified implementation of the rules for category 3 to 5 banks.

FINMA circular 19/1 'Risk diversification – banks' | Ex-post evaluation

Status: • Ex-post evaluation expected in 2023

- Assessment of the effectiveness of the originally enacted regulation.

3.4. Liquidity

Liquidity Ordinance (LiqO) and FINMA circular 15/2 'Liquidity risks – banks' | Partial revision of NSFR

- Status:**
- Hearing until 10 April 2017
 - New consultation period expected on the amendments to FINMA circ. 15/2 in May/June 2020
 - Publication of the final legislative bills expected in Q4 2020
 - Expected entry into force as of 1 July 2021

-
- Enactment of mandatory requirements relating to the Net Stable Funding Ratio (NSFR).
 - Certain amendments to the regulations on the LCR (Liquidity Coverage Ratio).
 - Enactment of regulations for the preparation of liquidity and financing planning.

FINMA circular 15/2 'Liquidity risks – banks' | Extension of simplifications to securities firms

- Status:**
- Hearing until 9 April 2020
 - Expected entry into force: Q4 2020

-
- Extension of the simplifications applicable to small banks in supervisory categories 4 and 5 to all securities firms, regardless of their size.

FINMA circular 15/2 'Liquidity risks – banks' | Adjustments to the NSFR

- Status:**
- Hearing until 13 July 2020
 - Expected entry into force as of 1 July 2021

-
- Requirements for the introduction of the net stable funding ratio (NSFR) were already the subject of a consultation or hearing in 2017. Adjustments to the requirements, which have become necessary since then.
 - Technical implementing provisions and refinements to the new requirements for the NSFR as set out in art. 17f–17s LiqO.
 - Qualitative requirements and LCR: clarifications, further details and additions in certain areas.

FINMA guidance 06/2020 | COVID-19 credits and NSFR

- Status:**
- In force since 19 May 2020

-
- Treatment of COVID-19 refinancing facility with regard to the net stable funding ratio (NSFR).

3.5. Credit business

SBA minimum requirements for mortgage financing

- Status:**
- In force since 1 January 2020
 - Transitional period until 30 June 2020 for the adaptation of technical systems
-

- Minimum down payment of
 - 25% of an investment property's value (previously 10%)
 - 10% of an owner-occupied residential property's value (unchanged).
 - Clarification of the recognition of inheritance advances, gifts and loans in down payments.
 - Mortgage debt to be amortised to two thirds of the loan-to-value ratio of
 - investment properties within a maximum of 10 years (previously 15 years), and
 - of owner-occupied residential property within a maximum of 15 years (unchanged).
 - Applicability of the new rules to new business and mortgage debt increases.
-

SBA guidelines for the examination, valuation and treatment of mortgage-backed loans

- Status:**
- In force since 1 January 2020
-

- Clarification of remarks in the glossary of the guidelines
 - On investment properties: clarification that neither the debtor's legal form nor the amount of the loan-to-value ratio is a decisive criterium for classification as an investment property;
 - On the financial sustainability of owner-occupied residential property: admissibility of deducting third-party obligations from disposable income or expenses.
-

Ordinance on granting of credits with joint and several federal guarantees as a result of the coronavirus pandemic (COVID-19 Joint and Several Guarantees Ordinance)

- Status:**
- In force since 26 March 2020
 - For a limited period until 25 September 2020 at the latest
-

- Package of measures to cushion the economic impact of the coronavirus pandemic.
- Requirements for the granting and assessment of joint and several guarantees of the Federal Government:
 - Quick and straightforward process for credits up to CHF 500,000 ('COVID-19 Credit');
 - Process for credits from CHF 500,000 to CHF 20,000,000 ('COVID-19 Credit Plus').
- Maximum term of the joint and several guarantee is five years, with the possibility of extending the repayment period by two years in cases of hardship and subject to approval by the Guarantee Organisation.
- Regulates the duties of the participating banks and the interest charged on the loans.

Federal Act on COVID-19 Credits with Joint and Several Guarantee (COVID-19 Joint and Several Guarantee Act, COVID-19 JSGA)

- Status:**
- Hearing until 21 July 2020
 - Bill to be debated in a special procedure during the 2020 winter session and voted on in the same session
 - Expected entry into force as of 1 January 2021

-
- Incorporation of the emergency COVID-19 Joint and Several Guarantee Ordinance into ordinary law.
 - Regulates the rights and obligations of the four recognised guarantee organisations.
 - Regulates all important aspects over the lifetime of the credits, but not the ongoing granting of credits until 31 July 2020.
 - Provides for instruments to combat abuse and deal with cases of hardship:
 - Possibility to extend existing five-year repayment period not only by two years, but by another five years to a maximum total of ten years.
 - Guaranteed credit of up to CHF 500,000 not regarded as debt for the whole term of the credit, in order to avoid over-indebtedness in accordance with the Code of Obligations.
 - Federal Council will adjust the interest rate annually according to market developments.
 - The statutory auditors of the borrower must set a deadline in the event of violations of the COVID-19 Joint and Several Guarantee Act and, if necessary, inform the guarantee organisation of any other violations of the law.

3.6. Organisation/risk management

FINMA circular 18/3 'Outsourcing – banks and insurers' | Total revision

- Status:**
- In force since 1 April 2018
 - After entry into force: immediate application to new or modified outsourcing arrangements
 - Transition period of five years to amend pre-existing outsourcing arrangements

-
- Replaces FINMA circular 08/7 'Outsourcing – banks'.
 - Obligation to maintain a record of all outsourced services.
 - Requirements of the circular apply to intra-group outsourcing. However, rules may be relaxed if risks are proven not to exist or requirements are not relevant.
 - In case of outsourcing abroad, all the necessary data required in the event of restructuring, resolution and liquidation must be accessible in Switzerland at all times.
 - Extension of the area of application to include insurance companies.

3.7. Regime for small banks

Regime for small banks | Pilot phase

Status: • Pilot phase runs until the end of 2019

- Pilot phase until the end of 2019 of FINMA's significantly less complex regulatory regime for category 4 and 5 banks:
 - Simplified calculation of the minimum capital requirements;
 - Simplified calculation of the leverage ratio;
 - Reduced disclosure of key metrics;
 - NSFR requirements do not apply;
 - Simplified capital and liquidity planning.
- Possibility to participate in the regime for small banks if certain criteria are fulfilled, in particular above-average capitalisation and high liquidity.

FINMA circular 08/21 'Operational risks – banks' | Adjustments to the regime for small banks

Status: • In force since 1 January 2020

- Categorisation of operational risks may be based on either a qualitative or a quantitative assessment;
- The term 'IT risk management framework' not applied to dealing with risks arising from technology infrastructure.
- Simplification for banks participating in the regime for small banks and for institutes according to art. 1b BankA: Obligations relating to the handling of electronic customer data are limited to basic principles (systematic identification, limitation and monitoring by the governing body).

FINMA circular 11/2 'Capital buffer and capital planning – banks' | Adjustments to the regime for small banks

Status: • In force since 1 January 2020

- Simplification for banks participating in the regime for small banks: Capital planning limited to the simplified leverage ratio.

FINMA circular 15/2 'Liquidity risks – banks' | Adjustments to the regime for small banks

Status: • In force since 1 January 2020

- Simplification for small banks in supervisory categories 4 and 5 as per the circular: Small banks are exempted from extending stress tests to cover various timeframes.

FINMA circular 16/1 'Disclosure – banks' | Adjustments to the regime for small banks

Status: • In force since 1 January 2020

- Simplification for banks participating in the regime for small banks:
 - No requirement for regulatory disclosure, except for the annual disclosure of a simplified 'key metrics' table.
 - Applicable for disclosures as of cut-off date 31 December 2019.

FINMA circular 17/1 'Corporate governance – banks' | Adjustments to the regime for small banks

Status: • In force since 1 January 2020

- More flexible documentation form, as the term 'Framework for enterprise-wide risk management' is no longer applied.
- Simplification for banks participating in the regime for small banks:
 - Exempted from performing stress tests, but scenario analyses must be conducted at least;
 - A risk assessment by Internal Audit is no longer necessary every year, but only every two years if there is no significant change in the risk profile.
- Adjustments for all banks in categories 4 and 5:
 - No content requirements relating to the risk policy and to the key principles of institution-wide risk management.
- Category 4 and 5 institutions that voluntarily implement audit and risk committees shall continue the previous practice of complying with the requirements for such committees within the bounds of proportionality.

FINMA circular 18/3 'Outsourcing – banks and insurers' | Adjustments to the regime for small banks

Status: • In force since 1 January 2020

- The principle of proportionality is mentioned explicitly in the circular.
- Simplification for banks participating in the regime for small banks and for institutes according to art. 1b BankA:
 - Decision taken within the outsourcing risk analysis on relevance and implementation of the specifications for the selection of the service provider, concentration risks, subcontractors and the transfer of the service;
 - Exemption from requirements to revert the outsourced function;
 - Risk management with regard to outsourcing is possible by relying extensively on reporting by an independent auditor.

FINMA circular 17/7 'Credit risks – banks' and FINMA circular 19/1 'Risk diversification – banks' | Amendment of current exposure method

Status: • In force since 1 January 2020

- Category 3 (with insignificant derivative positions), 4 and 5 banks continue to use the current exposure method to value derivatives until 31 December 2021, with the intention of revising the current exposure method.
- Adoption of the rules to calculate the credit risk equivalent for derivatives according to the current exposure method as per Appendix 4 of the circular based on the provisions of art. 57 CAO (version dated 1 July 2016).

3.8. Other topics

Banking Act (BankA) | Insolvency, deposit insurance, segregation

- Status:**
- Federal Dispatch to Parliament published on 19 June 2020
 - Parliamentary debate expected in the second half of 2020
 - Expected entry into force as of beginning of 2022, at the earliest
-
- Measures to improve depositor and customer protection:
 - Period in which insured deposits are paid out in the event of bankruptcy shortened to seven working days;
 - Banks may deposit securities with a secure third-party custodian or grant cash loans to the deposit insurance institution amounting to 50% of the contribution obligation;
 - No requirement to hold liquidity for potential cash outflows to the depositor protection scheme;
 - The scheme's systemic upper limit is to be increased to 1.6% of the total amount of insured deposits and at least CHF 6 billion.
 - Obligation of each bank to make preparations rapidly to draw up payment schedules, contact depositors and execute payments on the basis of the lists of depositors.
 - Provides legal basis of instruments for restructuring banks which affect the rights of owners and creditors and were previously only regulated in the FINMA Banking Insolvency Ordinance (BIO-FINMA).
 - Introduction in the Federal Intermediated Securities Act (FISA) of the obligation to segregate proprietary assets and customers' assets recorded in custody accounts throughout the entire domestic 'custody chain'.
 - Improving the function of the Swiss mortgage bond system in the event of the insolvency of a member bank by amending the Mortgage Bond Act (MBoA).

Banking Act (BankA) | Participation capital of a cooperative bank

- Status:**
- In force since 1 January 2020
-
- Create the possibility for cooperative banks to issue participation notes.
 - Regulations on the rights of the holders of participation notes, the creation and use of general reserves, dividend payments and the purchase of the cooperative's own participation notes.

National Bank Ordinance (NBO) | Amendment due to the entry into force of FinSA/FinIA and adjustment of the minimum reserve requirements

- Status:**
- In force since 1 January 2020
-
- Adaptation of terms in connection with the entry into force of the Financial Services Act (FinSA) and the Financial Institutions Act (FinIA).
 - Technical adjustments to the statistical surveys.
 - Elimination of the obligation to disclose repo transactions with non-banks and securities lending transactions for the minimum reserves.

FINMA Bank Insolvency Ordinance (BIO-FINMA) | Adjustments resulting from FinSA/FinIA

- Status:**
- Hearing until 9 April 2020
 - Repeal expected Q4 2020
-
- Adoption in the FINMA regulations of newly created regulations in the superordinate legislation (FinSA and FinIA).

FINMA circular 08/14 'Supervisory reporting – banks' | Repeal of statement

- Status:**
- Hearing until 9 April 2020
 - Expected entry into force: Q4 2020

-
- Repeal of the 'Statement on qualified or significant equity interests'.

FINMA circular 10/2 'Repurchase and reverse repurchase transactions and securities lending and borrowing transactions (Repo/SLB)' | Repeal

- Status:**
- Hearing until 9 April 2020
 - Repeal expected Q4 2020

-
- Repeal of the circular, as its provisions are largely contained in the Financial Institutions Act (FinIA) and the Financial Institutions Ordinance (FinIO).

4. Fund management companies/investment funds/representatives of foreign collective investment schemes

Collective Investment Scheme Act (CISA) | Introduction of funds not subject to authorisation

Status: Hearing until 17 October 2019
Expected entry into force as of 1 January 2022

- Introduction of a category of funds that are not subject to authorisation by FINMA.
- Limited Qualified Investment Funds (L-QIF) would be reserved for qualified investors such as pension funds and insurers.

FINMA Collective Investment Schemes Ordinance (CISO-FINMA) | Adjustments resulting from FinSA/FinIA

Status:

- Hearing until 9 April 2020
- Expected entry into force: Q4 2020

- Transfer of the requirements for fund management companies and asset managers of collective investment schemes into the FINMA Financial Institutions Ordinance (FinIO-FINMA).
- Regulation of publication and reporting obligations for representatives of foreign collective investment schemes.

FINMA Collective Investment Schemes Bankruptcy Ordinance (CISBO-FINMA) | Adjustments resulting from FinSA/FinIA

Status:

- Hearing until 9 April 2020
- Expected entry into force: Q4 2020

- Adoption in the FINMA regulations of newly created regulations in the superordinate legislation (FinSA and FinIA).

FINMA circular 18/3 'Outsourcing' | Extension of scope of application

Status:

- Hearing until 9 April 2020
- Expected entry into force: Q4 2020

- Extension of the scope of the circular to include fund management companies, SICAVs and fund administrators.
- The circular does not apply to asset managers and trustees.
- Definition of tasks that shall not be outsourced.

SFAMA guidelines

Status: • Expected entry into force as of beginning of 2021, at the earliest

- Revision of the SFAMA self-regulation (guidelines, technical recommendations, model documents) based on the newly enacted FinSA and FinIA legislation, the amended CISA, the corresponding ordinances of the Federal Council and FINMA regulations.

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