Amended agreement on the banks’ code of conduct with regard to the exercise of due diligence (CDB) as of 2016

Basel, 30 June 2015 – The fight against money laundering and terrorist financing are central issues for the Swiss financial centre. Switzerland is a global leader in this area. The Swiss Bankers Association (SBA) therefore also regularly amends its agreement governing the banks’ code of conduct with regard to the exercise of due diligence (CDB). Beginning in 2016, banks will come under a new obligation to identify the controlling owner of operative legal entities and private companies.

Switzerland is an international leader in the fight against money laundering and terrorist financing. The agreement relating to the banks’ code of conduct with regard to the exercise of due diligence (CDB) is a key element thereof. The CDB is one of the Swiss financial centre’s most important self-regulatory agreements. Since 1977, it has governed the duties of the banks for the treatment of assets entrusted to them and the requirements for client identification. In order to conform with changing circumstances and international standards, for example the recommendations of the Financial Action Task Force (FATF), the SBA regularly amends the CDB. The next amendment will come into effect at the beginning of 2016.

The most important change in the CDB 2016 is, that the beneficial owner (“controlling owner”) must now be identified for operative legal entities and private companies. This amendment is in line with international standards. Persons holding voting rights or an equity participation exceeding 25%, or persons possessing de facto control of a company are deemed controlling owners. If no such controlling owner exists, the highest-ranking employee must be identified instead. No controlling owner must be identified for exchange-listed companies, public authorities, financial intermediaries, certain associations with non-material interests, non-profit organisations, condominium owners or common owner collectives.

Further information
Further information regarding the CDB, the measures in place in Switzerland to combat money-laundering, as well as the FATF recommendations can be found in an article in the latest edition of insight, the SBA’s online publication.

Information for editors
This press release and the CDB 16 can be found on our homepage www.swissbanking.org.

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