

Banks in Switzerland: yes to competitiveness and market access, no to over-regulation and isolationism

Basel, 16 September 2014 – The media conference at the Swiss Bankers Day focused on the major future challenge for banks in Switzerland: remaining competitive through open service and labour markets. To maintain this competitiveness, the Swiss Bankers Association (SBA) is asking for Swiss regulation to be adapted only to the extent necessary. The industry is strongly opposed to isolationism and a Swiss finish. Patrick Odier is calling on Switzerland to present a united and above all concerted front to the rest of the world.

This year's Swiss Bankers Day media conference placed big emphasis on the topics of growth and competitiveness. With its long tradition in cross-border wealth management, the Swiss financial centre is reliant on good access to foreign markets. Patrick Odier, Chairman of the Swiss Bankers Association (SBA), stressed that the Swiss financial centre must be able to grow if it is to remain a world leader.

No growth without market access

Nascent protectionist tendencies and new international standards such as MiFID are making it increasingly difficult for Swiss banks to access foreign markets and interfering with their business activities. However, jobs can only be safeguarded in Switzerland if banks are able to continue providing cross-border services for their foreign clients. With a bilateral agreement with the EU on this issue highly unlikely in the medium term due to political reasons, Switzerland must quickly identify solutions with key EU countries in order to secure cross-border service business. Patrick Odier stressed that the banks in Switzerland are prepared to adopt certain international rules in return. However, the SBA is strongly opposed to anything that goes beyond this. "Yes to equivalence, no to a systematic Swiss finish," was Patrick Odier's summary of the SBA position. The Federal Financial Services Act (FFSA) and Federal Financial Institutions Act (FinIA) both contain numerous examples of precisely this Swiss finish. For example, Article 11 FinIA seeks to enshrine the rejected statutory clean money strategy in Swiss law through the back door. This despite the fact that the banks in Switzerland have already been pursuing a successful tax-compliant strategy for a considerable time. Patrick Odier criticised this approach: "The recommended measures are not justified by any equivalence criteria and do not correspond to any international standard." The SBA is also critical of the planned changes to criminal and civil law. The introduction of class actions, group settlements and an excessive expansion of the elements of an offence are to be rejected, as are the proposed enforcement of civil claims and the creation of a fund for the financing of proceedings. If this is something the legislator insists on, these belong in civil law and must apply to all industries, not just the financial industry.

Isolationism is not a sustainable solution

The SBA is committed to ensuring that banks' competitiveness is not restricted politically. Claude-Alain Margelisch, CEO of the SBA, discussed this with regard to the potential consequences of the mass immigration initiative. The interests of the economy as a whole must be taken into account in the implementation of the initiative, and the value generated by jobs should be a key factor in setting quotas. The Federal Council should make full use of the existing leeway when implementing the initiative. Overly restrictive implementation would be fatal for the economy and in particular for an industry as globally oriented as the financial sector.

Long tradition of individual responsibility

Two amended self-regulatory rules relating to mortgage financing came into force on 1 September. According to Claude-Alain Margelisch, these measures highlight the banking industry's long tradition of individual responsibility and how the industry resolutely supports sensible and achievable solutions. The SBA is opposed to any further tightening in this area, as it is very important that these measures are now given sufficient time to unfold their full potential.

Solidarity is a key success factor

Five new Board members were appointed at this year's General Assembly: Stefano Coduri, CEO of BSI SA; Dr Jürg Gutzwiller, Member of the Board of Directors of RBA-Holding AG; Roland Ledergerber, CEO of St.Galler Kantonalbank; Urs Rohner, Chairman of the Board of Directors of Credit Suisse SA; and Professor Axel Weber, Chairman of the Board of Directors of UBS SA. The composition of the SBA's Board of Directors underscores the broad support for the association and demonstrates the banks' commitment to the Swiss financial centre. For Patrick Odier, it is vital for the Swiss financial centre and Switzerland to present a united and resolute front to the rest of the world. Only then can the Swiss financial centre grow and continue to boost Swiss prosperity.

Swiss Bankers Day

Swiss Bankers Day is the annual General Assembly of the Swiss Bankers Association (SBA) and is one of the highlights of the Swiss banking year. This year's Bankers Day is taking place today in Lucerne. After a welcoming speech by Patrick Odier, Chairman of the SBA, Federal Councillor Doris Leuthard, Head of the Federal Department of the Environment, Transport, Energy and Communications, will convey greetings from the Federal Council.

For the first time, the banking apprenticeship graduates with the best business marks are to be recognised at Bankers Day and awarded prizes.

The focus of the Bankers Day in Lucerne will be the exchange of views between leading figures from the worlds of banking, politics and industry, with ambassadors lending the event an international flavour. Some 320 invited guests are expected.

Information for editors

The speech by Claude-Alain Margelisch will be available from 9.00 a.m. onwards at: www.swissbanking.org. The Chairman's speech by Patrick Odier will be available once the event has started at 5:30 p.m. at: www.swissbanking.org. This press release can be found on our homepage www.swissbanking.org.

Contact	Thomas Sutter, Head of Communication	T +41 61 295 92 06
address	Daniela Flückiger, Head of Comm. Latin World	T +41 61 295 92 55
Internet	www.swissbanking.org http://twitter.com/SwissBankingSBA	
