

AFBS Events

June 2020

48th Ordinary General Assembly

The presentations on this year's OGA scheduled to focus on "Banking Meets Tech" had to be cancelled due to the COVID19 pandemic.

The statutory agenda points were dealt with by Circular Resolution. The Assembly elected two new Board Members: Daniel Belfer, Bank J. Safra Sarasin Ltd., and Elzbieta Czetwertynska, Citibank (Switzerland) Ltd. and renewed the mandate of the Chairman, Heinrich Henckel.

AFBS Roundtable: COVID19

Throughout the year the AFBS organised regular meetings among HR Directors on the impact of the pandemic and on the measure adopted by the banks.

AFBS Roundtable among Association members.

AFBS Conference: Swiss Withholding Tax

The AFBS representative to the SBA Tax Commission explains the Federal Council's proposal to overhaul the Swiss withholding tax scheme. The proposal extends scope to all interest income from Swiss and foreign source, which would lead to excessive complexity. The SBA response criticises the proposal for this reason.

Bernhard Schopper, HSBC Private Bank (Suisse) SA.

AFBS Roundtable: FinSA/FinIA Implementation

The AFBS Secretariat organised a series of five Roundtables on the implementation of the new Acts on Financial Services and Financial Institutes. Each event was dedicated to a specific aspect of the legislation. Participants shared experience and exchanged questions.

AFBS Roundtable among Association members.

AFBS Roundtable: Cloud Solutions

AFBS members meet to discuss challenges regarding the use of cloud services. Pressure from international groups is particularly strong to move to the cloud while banks in Switzerland need to assure compliance with local data protection and privacy regulation.

AFBS Roundtable among Association members.

AFBS Update: SBA Legal Commission

In a new format of V/C update, the AFBS representative in the SBA Legal Commission informs members on the meeting and collects input on points of concern to be raised.

AFBS Roundtable among Association members.

July 2020

AFBS Roundtable: Guidelines Work From Home

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In the context of the obligatory Work From Home situation a group of foreign banks jointly drafted a model text for a Directive. Key aspects related to work from home are addressed. The model text can be used by banks to draft their own internal guidance.

Roundtable among Association members with Emanuel Tschannen, Efenau Switzerland Ltd.

AFBS Roundtable: EU Shareholder Rights Directive II – Swiss Implementation

Speakers from SIX Group explain the measures adopted to comply with the EU Directive which requires intermediaries to assure there can be exchange of information between issuer and investor. Even EU firms face difficulties complying with the complex rules. Intermediaries fear that there will be an overload of information for investors.

Stephan Köhler, Dilek Kayhan, SIX Group.

AFBS Conference: Equal Salary Assessment

The Law on Equal Treatment requires employers with more than 100 staff to perform a salary assessment. The conference provides clarification regarding the requirement and processes for implementation of such an analysis. Thanks to independent providers, the firm itself can outsource a large part of the administrative burden.

Loran Lampart, Marc Pieren, Comp-On AG

AFBS Roundtable: COVID19 App by the Federal Office of Public Health

Speakers from the FOPH explain the functioning of the new App which aims at tracing COVID19 infections and thus help to restrict the spread of the virus. Participants are particularly interested by issues with respect to data protection and tracking.

AFBS Roundtable among Association members and representatives from the FOPH.

August 2020

AFBS Conference: International Tax Matters

The speaker gives an update on key developments in international tax matters which potentially impact foreign banks in Switzerland. Beyond CRS and FATCA implementation he discusses recent developments in the EU BEPS project and initiatives taken at national level in certain individual countries. He also briefly touches upon latest development in Switzerland, in particular with respect to the stamp duty tax and the planned revision of the anticipatory tax regime.

Urs Kapalle, Swiss Bankers' Association

AFBS Roundtable: SRDII Swiss Implementation

Member banks gather to discuss challenges and share experiences in relation to the implementation of the regulation on Shareholder Rights Directive as adopted by the EU. It obliges intermediaries to assure the end investor can disclose its identity to the issuer upon the latter's request.

AFBS Roundtable among Association members.

September 2020

AFBS Conference: CDB20 / AMLA

On 1 January 2020 the revised CDB and the revised FINMA Anti-Money Laundering Ordinance entered into force. The Federal Council adopted its dispatch for the revision of the Anti-Money Laundering Act. The conference offers an update on the latest novelties and the amendments to be expected in the near future. Even though changes are minor, intermediaries should not

underestimate the impact on processes and procedures.

Natacha Polli, PAZ Consultants SA

AFBS Roundtable: Implementation of goAML

In 2020 the Money Laundering Reporting Office MROS finally implemented its new reporting system goAML. The AFBS representative in the SBA working group is informing on the state of play and collecting reports on banks' experiences with the new system.

Camillo Zbinden, Société Générale

AFBS Roundtable: FinSA and Corporate Banking

A group of representatives from corporate banks meet to discuss the impact of the new Financial Services Act on their business. A few specific points pop up and can be answered during the discussion.

AFBS Roundtable among Association members.

AFBS Conference: DAC6

The speakers outline the new regulation and its impact on Swiss financial intermediaries. They discuss the instances under which a Swiss intermediary is in scope and thus subject to reporting; how to identify the hallmarks that trigger reporting duties; and how to perform reporting in itself.

Robin King, Karim Schubiger, Deloitte AG.

October 2020

AFBS Update: SBA Tax Commission

In a new format of V/C update, the AFBS representative in the SBA Tax Commission informs members on the meeting and collects input on points of concern to be raised.

AFBS Roundtable among Association members.

AFBS Conference: Update on LIBOR-SARON

The speaker informs on the latest novelties regarding the transition towards risk-free reference rates. He presents the model contractual clauses and explains the National Working Group's recommendations towards market participants. The conclusion of fallback agreements can be complicated, reason why parties should start negotiation early.

Olivier Favre, Schellenberg Wittmer AG

AFBS Roundtable: Foreign Banks on SIX Terravis

Speakers from SIX Terravis explain to foreign banks active in the mortgage business the functioning of the electronic and automated real-estate registry. It offers parties easy processing of real estate transactions. A growing number of cantons join. Special requirements towards foreign banks of some cantons' real estate registries still make automation impossible.

Werner Möckli, Walter Berli, SIX Group.

AFBS Roundtable: MROS Reporting System

With the introduction of goAML, the automated system for filing suspicious activity reports, many small and medium-sized banks face considerable difficulties. The procedures are complicated and due to technical matters change continuously. Banks need to

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make adaptations of their infrastructure.

AFBS Roundtable among Association members.

AFBS Group: Freistellung Deutschland

At the end of 2019, the foreign banks with special status for market access were approached by the German supervisory BaFin which intended to review the regime. The group of foreign banks joined in with the SBA to coordinate a response to the BaFin.

AFBS Roundtable among Association members.

November 2020

AFBS Conference: Swiss Data Protection Act

Parliament adopted the new Data Protection Act, whose impact on Swiss financial intermediaries are being assessed by the speaker. Major changes are to be expected as duties for documentation, reporting and information have been extended and formalised. This also is a consequence of alignment to the EU General Data Protection Regulation.

David Vasella, Walder Wyss Attorneys at Law

December 2020

Swiss DPA vs. EU GDPR

In September 2020, Swiss Parliament adopted the total revision of the Swiss Data Protection Act. In a series of six roundtables with data protection specialists from Oberson Abels SA, different aspects of the revised Swiss Data Protection Act and the EU GDPR legislation are discussed. Each session focusses on a dedicated topic. Participants share experience and exchange views and discuss questions.

AFBS Roundtable among Association members, with Antoine Amiguet, Philipp Fischer, Oberson Abels SA

January 2021

AFBS Roundtable FTT Spain

In November 2020, the Spanish Parliament adopted legislation for the introduction of a Financial Transaction Tax which entered into force in January 2021. The AFBS Roundtable allows member banks to identify key concerns and raise questions in view of a conference on the topic with tax experts from KPMG Madrid.

AFBS Roundtable among Association members.

AFBS Conference: Sustainable Finance

Speakers elaborate on the new challenges arising from increased focus on sustainable investment. They clarify terminology, explain the regulatory framework, discuss the market situation in different jurisdictions and outline business adaptation and opportunities ensuing from the new market trend.

Susanne de Zordi, Geissbühler Weber & Partner; Jan Amrit Poser, Bank J. Safra Sarasin Ltd.

February 2021

AFBS Conference: FTT Spain

The AFBS Conference follows upon the Roundtable held in January. Speakers of KPMG Madrid outline the scheme and answer a series of questions which were identified on the preceding Roundtable. They confirm that reporting deadlines are postponed even though calculation and collection of FTT need to be performed from the inception date. Lively discussion with various questions followed the presentation.

Victor Mendoza, Partner, Juan Daniel Londoño Tabares, KPMG Abogados S.L.P., Madrid

March 2021

Cyber Resilience for Foreign Banks

A series of three conferences provide insight into the present risks and responsive measures in place to improve cyber resilience on the Swiss financial centre. Speakers from research outline the challenges while experts from intelligence firms and federal government present possible response measures to be adopted by financial intermediaries. They all conclude that sharing and undertaking joint activities are key for strengthening resilience.

Myriam Dunn-Cavelty, ETH Zürich Center for Cyber Security; Florian Schütz, Federal Cyber Security Delegate; Shira Kaplan, Cyverse AG.

US-AML: new disclosure duties

The US Anti-Money Laundering Act has been updated to entitle authorities in case of investigation to subpoena banks which use a US correspondent bank and to request extensive client data on all accounts. The speakers explain the amendment and its impact from a Swiss and a US perspective. They discuss how banks should best prepare themselves and inform their clients.

Daniel Bühr, Nicolas Ollivier, Tabea Segessenmann, Adam El-Hakim, Lalive, Geneva, Zürich; William Barry, Ian Herbert, Miller & Chevalier, Washington D.C.

April 2021

Consolidated Supervision in Europe

The European Banking Authority extends its supervisory activities and intends to obtain information also from third-country branches and subsidiaries of EU institutes. At the same time, the intra-group exchange of information becomes increasingly important as parent entities intend to gain extensive insight into the affiliates' activities. When complying with such requirements, the affiliate needs to assure it remains compliant with local regulation.

Joël Fischer, Bär&Karrer Ltd.; Veit Bütterlin, Alix Partners.

May 2021

AFBS Conferences: Cloud for Foreign Banks

A series of four conferences discusses the usage of cloud services by foreign banks in Switzerland. Topics dealt with cover the structural setup of the cloud service provider; the legal framework; the processes and procedures to be put in place; the practical experience with a testimonial.

Roger Altorfer, Marc Holitscher, Microsoft Switzerland; David Vasella, Walder Wyss AG; Jan Seffinga, Beat Burtscher, Deloitte Consulting AG; Gustavo Tavares, Stefan Jenni, Banco Itaú (Suisse) SA, Ross Mallace, Temenos SA.

SDX: the world's first regulated digital market infrastructure

Speakers are presenting the new SDX SIX digital trading platform and the opportunities it intends to offer to banks in Switzerland. The event also discusses the impact of DLT and smart contract for legacy banks and how they can benefit from the advantages of the new digital world.

Jos Dijsselhof, SIX; Tim Grant, SDX.

AFBS Engagement

June 2020

COVID19 Loans and Foreign Banks

To respond to the impact of the COVID19 pandemic the Federal Council quickly adopted an emergency loan programme. Foreign banks with a corporate client portfolio actively participated, even though their loans were not eligible for refinancing by the Swiss National Bank at the beginning. Upon intervention by the AFBS and the SBA the situation could be clarified and equal treatment assured.

September 2020

FINMA Circular Direct Transmission

The AFBS prepares comments on the revision of the FINMA Circular Direct Transmission. Most points have already been made during the preliminary hearing that had been conducted after entry into force to allow for a first impact assessment. The AFBS Comments were aligned with those of the SBA.

UK-CH Financial Roundtable

The AFBS participates in the panel discussion on the UK-CH Roundtable. The event takes place in Zürich and accompanies discussions between the two financial centres in view of strengthening their cooperation after Brexit becoming effective on 1 January 2021. The parties agree that mutual recognition of the respective regulatory framework is the most efficient way of going forward. Cooperation shall focus on free flow of workers and data and help aligning tax regulation. They wish to take advantage of not being bound by the EU regulatory standards.

November 2020

Meeting between SIF and AFBS Board

The Board meets with the State Secretary for International Finance, Daniela Stoffel. The SIF is impressed by the resilience the banks confirmed in the COVID19 pandemic. It understands the difficulties due to restricted market access and confirms endeavours to conduct negotiations. The promotion of sustainable investments is a core concern for the government and the industry, to make Switzerland become a centre of competence in that realm.

Meeting between Mr Cyber and the AFBS Board

In the same context the Board also met with Florian Schütz, the Federal Council's Delegate for Cyber Security. He presents the government's strategy towards creating a national cyber security centre where public-private partnerships foster information sharing and coordination of defensive measures. The Board insists that the foreign banks be involved from the outset as fully-fledged

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partners.

January 2021

SFTA Audit Practice

A group of foreign banks discuss the change in audit practice adopted by the Swiss Federal Tax Administration. Documentation requested to allow clients to benefit from the affidavit is more extensive. Also, to exempt IPOs from withholding tax, a confirmation from the issuer needs to be provided.

February 2021

Digital Banking

The AFBS Board receives representatives from two banks active in offering digital banking services. One is a startup, the other an international bank. There is agreement that digital services are going to be more and more heavily asked for by clients. While the Board agrees that Tokenisation of assets and BlockChain offer big opportunities for banking and processing of transactions, their view varies with regards to BitCoin.

Building Bridges Event

The AFBS Board welcomes Patrick Odier, chairman of the Geneva-based Building Bridges initiative which aims at creating a public-private community around the ESG development goals. It wishes to take advantage of the concentration of inter-governmental, private, and public players involved to promote joint initiatives. A second event shall take place in autumn 2021. Foreign banks are invited to participate.

www.buildingbridgesweek.ch

March 2021

Exchange of Views between SBA and AFBS

The AFBS Board discusses with the CEO of the SBA, Jörg Gasser. The exchange focuses on the banks' involvement in promoting ESG investments and in creating the cyber security infrastructure with the Swiss government. In both areas, the Swiss financial centre has the potential to establish itself as a centre of competence with international reach.

Meeting between the SNB and the AFBS

The meeting with the SNB Governing Board offers the opportunity to understand more details about the SNB's project of digital central bank money Helvetia. It allows the AFBS to express commitment to the Swiss initiative to promote cyber resilience and sustainable finance. They underline, however, that international compatibility and possibility to share information across borders is key.

AFBS Groups

Beyond the AFBS Conferences and AFBS Roundtables the Association manages numerous topical working groups. Off-the-record discussions and trust among members thanks to longstanding participation allow the discussion in detail of various sensitive issues. Some groups are long-standing and address various topics. Others are set up ad hoc to address with specific regulatory challenges. Due to the sanitary situation, in-person meetings were not possible. Meetings took place by V/C; some Groups activities were halted,

others were created ad-hoc.

During the year under review, the AFBS Groups were mostly active in the following topics:

AFBS Group Lugano is a local group which discusses updates and regulatory developments on various subjects. The diversity of group membership allows addressing a wide variety of topics.

AFBS Group Ostschweiz works in a similar way to the AFBS Group Lugano as it discusses various topics and their impact on the individual bank.

AFBS Group KMB allows small and middle-sized banks to gather for an informal exchange of views and experiences over lunch.

AFBS Group HR (Geneva and Zürich) invite experts to present hot topics and discuss them in-depth with the members. Continuous training was at the core of attention as well as the new regulation regarding registration of work time.

AFBS Group Retail GE meets twice a year to discuss key points on specific regulation and business environment for retail banks in Switzerland. The servicing of clients living in France and working in Switzerland is among the issues.

AFBS Group Legal Zürich follows up on major changes in legislation and regulation and their impact on the banks' daily business. Invites experts from time to time to delve into specific topics and exchange views among banks.

AFBS Group DPA/GDPR discusses the implementation of the new Swiss Data Protection Act. Jointly with lawyers, different key aspects are being

AFBS Group CRS/FATCA (Geneva and Zürich) on the technical implementation of the FATCA regulation and the definition of the forthcoming common reporting standards governing the automatic information exchange.