Swiss Banking

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SBA, AMAS and SIX welcome agreement between Switzerland and UK on financial services

The signing of the “Financial Services Agreement Switzerland-UK” enables closer cooperation between the two leading European financial centres and signals a clear commitment to open markets.

- On 21 December 2023, the United Kingdom (UK) and Switzerland signed a comprehensive agreement on financial services that is based largely on mutual recognition of regulations (“Financial Services Agreement Switzerland-UK”).
- The agreement provides a basis for measures to open up markets in the areas of banking, securities services, asset management, insurance and stock exchanges.
- The UK is one of the most important export markets for the cross-border wealth management of Swiss financial institutions. For Swiss banks, the agreement will above all bring improvements and legal certainty in the needs-based servicing of wealthy private clients, who make up a large part of the cross-border banking business.
- The Swiss Bankers Association (SBA), the Asset Management Association Switzerland (AMAS) and SIX welcome this important step.

The “Financial Services Agreement Switzerland-UK” provides a basis for measures to open up markets in the areas of banking, securities services, asset management, insurance and stock exchanges. It also lays the foundation for closer cooperation on key financial services sector issues, including sustainable finance and collaboration within multilateral international forums.

A unique agreement with a promising approach to market access

The agreement is unique in the financial services sector. It has come from a conviction that mutual, outcome-based recognition of the equivalence of regulatory and supervisory frameworks across a broad front is the best way to protect material interests, including in particular customer protection, the integrity and stability of the respective financial centres, and a level playing field for all market participants. The UK and Switzerland are pursuing bilateral cooperation with the aim of not only agreeing on this mutual equivalence, but also preserving it over the long term.

The agreement represents a commitment to open markets by Europe's two leading financial centres and underscores their shared goals, namely to ensure free capital flows and cross-border use of skills, avoid fragmentation and create healthy competition. The SBA, AMAS and SIX see its signing as a major milestone in this respect.

The UK is among the most important export markets for Swiss financial institutions' cross-border wealth management services. The agreement will significantly improve their scope to offer services that meet the needs of a receptive customer segment in the UK.

SBA CEO Roman Studer: "The SBA was actively involved in drafting the agreement, which features a carefully thought out and highly promising approach centred on extensive mutual recognition of regulation and supervision. On the one hand, it brings significant improvements and, above all, legal certainty in the cross-border servicing of high-net-worth individuals. This segment is extremely important for Swiss banks. On the other hand, beyond the relationship between Switzerland and the UK, it also sends a signal that there is room for robust and practicable solutions

in the area of market access that go beyond the usual, sometimes entrenched approaches."

AMAS CEO Adrian Schatzmann: "The agreement is hugely important for our members. It creates legal certainty for the industry as well as a framework for providing cross-border asset management services. It also allows two leading international financial centres to serve the interests of their respective asset management industries and their clients and investors more effectively, benefiting the economy as a whole."

SIX CEO Jos Dijsselhof: "As an international operator of securities trading infrastructure, SIX supports regulated, open cross-border trading. Compared with unilateral recognition of equivalence, the agreement creates much greater legal certainty by providing a firm bilateral basis for mutual market access and thus making it easier to put business and strategic decisions into practice. This increased planning security benefits all market participants."

The project has been supported by both countries' financial services sectors from the outset. The agreement is the result of negotiations that began when the two countries' finance ministers signed a Joint Statement on 30 June 2020, and its signing today represents an important step towards a formal agreement. It must now be approved by both countries' parliaments.

Press and media inquiries

Our team is available to respond to enquiries from members of the media.
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