

Swiss banking sector

Structure of the Swiss banking sector

The Swiss National Bank (SNB) divides the 328 banks in Switzerland into various categories: [big banks](#), [cantonal banks](#), [regional banks and savings banks](#), [Raiffeisen banks](#), other banks (including, in particular, [commercial banks and stock exchange banks](#), as well as [foreign-controlled banks](#)), [branches of foreign banks](#) and [private banks](#). These bank categories differ with regard to their size, business focus, geographic scope of activities and legal form. Within the banking sector, the big banks maintain a dominant position in every respect. Within the banking sector, the big banks maintain a dominant position in every respect. This applies to both the balance sheet total and market share ([Extract from the current Financial Stability Report](#)).

Further information on the structure are contained in the statistical yearbook [Banks in Switzerland](#).

Regulation and oversight

Banks operating in Switzerland are subject to the Federal Act on Banks and Savings Banks (Banking Act) (German: www.admin.ch/ch/d/sr/c952_0.html; French: www.admin.ch/ch/f/rs/c952_0.html).

Detailed regulations – e.g. on capital, liquidity and risk diversification – are contained in the Ordinance on Banks and Savings Banks (Banking Ordinance) (German: www.admin.ch/ch/d/sr/c952_02.html; French: www.admin.ch/ch/f/rs/c952_02.html). The banking legislation also takes account of international agreements and recommendations, e.g. the [Basel Capital Adequacy Accord](#). The statutory provisions are supplemented by codes of conduct and recommendations that the banks impose on themselves as a self-regulatory measure (www.swissbanking.org/home/allgemein.htm).

The Swiss Financial Market Supervisory Authority (FINMA) (www.finma.ch) grants banking licenses and is responsible for supervising banks.

In Switzerland, several regulatory reforms to strengthen the stability of the financial system have been initiated or have already been carried out.

In May 2010, the Swiss National Bank and FINMA revised the liquidity requirements for the two big banks.

Press release of 21 April 2010: New liquidity regime for Swiss big banks [PDF](#) [149 kB]

A committee of experts appointed by the Swiss Federal Council, which drew up a package of measures designed to mitigate the 'too big to fail' problem, completed its final report at the end of September (<http://www.sif.admin.ch>). The Swiss National Bank was represented on the committee.

Press release of 04 October 2010: Final report [PDF](#) [81 kB]

Swiss National Bank statement on the recommendations of the Business Audit Commission in the area of financial stability (in German only) [PDF](#) [138 kB]

Cooperation in the area of financial stability

In the field of financial stability the SNB cooperates with the Swiss Financial Market Supervisory Authority FINMA. A Memorandum of Understanding (MoU) contains a clear division of the individual responsibilities of the two institutions and regulations on their cooperation.

Memorandum of Understanding MoU [PDF](#) [155 kB]

Press release of 12 March 2010: FINMA and the SNB intensify their collaboration in the area of financial stability [PDF](#) [55 kB]

In addition, the SNB has concluded a trilateral MoU with FINMA and the Federal Department of Finance. The MoU governs the exchange of information during normal times as well as the collaboration in times of crisis.

Memorandum of Understanding on trilateral cooperation between the Swiss financial market authorities	PDF [126 kB]
Press release of 17 January 2011: FDF, FINMA and SNB sign tripartite agreement on collaboration	PDF [56 kB]

In addition, the SNB is working closely with the [Financial Stability Board](#) and the Basel Committee on Banking Supervision (<http://www.bis.org/bcbs/index.htm>). Both play a major role in the drawing up of international standards for financial stability.

Banking statistics: data and analysis

The financial intermediaries that are subject to the Federal Act on Banks and Saving Banks (German: www.admin.ch/ch/d/sr/c952_0.html; French: www.admin.ch/ch/f/rs/c952_0.html) are obliged to report data on their balance sheet, income statement, capital and liquidity to the SNB. The SNB publishes the data in aggregated form – i.e. for the bank categories – in its statistical yearbook [Banks in Switzerland](#) and in the [Monthly Bulletin of Banking Statistics](#). The continuous analysis of the state and stability of Switzerland's banking sector is contained in the SNB's annual [Financial Stability Report](#).