

Media Release

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Embargo:

FINMA ready for launch

Berne, 9 December 2008 – The new Swiss Financial Market Supervisory Authority (FINMA) will commence operations on 1 January 2009. On that date, the Federal Act on the Swiss Financial Market Supervisory Authority (FINMASA), which the Swiss Parliament approved on 22 June 2007, will go into full legal force. The effect of the Act is to merge three bodies – the Federal Office of Private Insurance (FOPI), the Swiss Federal Banking Commission (SFBC) and the Anti-Money Laundering Control Authority – into the Swiss Financial Market Supervisory Authority FINMA. Until their merger and incorporation into FINMA, these three authorities will retain responsibility for their own areas of activity.

After preparations lasting several years, FINMA will commence operations on 1 January 2009 in Berne. As an independent supervisory authority, FINMA's task is to protect the clients of financial markets, namely creditors, investors and insured persons, in accordance with the requirements of financial market legislation, thereby strengthening confidence in the smooth functioning, competitiveness and integrity of Switzerland's financial centre.

The effect of the Act is to merge three bodies – the Federal Office of Private Insurance (FOPI), the Swiss Federal Banking Commission (SFBC) and the Anti-Money Laundering Control Authority – into the Swiss Financial Market Supervisory Authority FINMA. FINMASA not only designates the new authority's organisational framework, but also sets out principles governing financial market regulation, liability rules and harmonised supervisory instruments and sanctions. The Act therefore functions as an umbrella law for the other laws governing financial market supervision, although the legal mandate conferred on the supervisory authority remains unchanged. With effect from 1 January 2009, FINMA will thus become the legal successor of the three merged authorities – the SFBC, the FOPI and the Anti-Money Laundering Control Authority – assuming all agreements entered into by them as well as any ongoing business. Until their merger and incorporation into FINMA on 1 January 2009, these three authorities will retain responsibility for their own areas of activity.

Under its director, Dr Patrick Raaflaub, FINMA will employ some 320 staff members, spread over seven areas of activity (large banking groups, banks/financial intermediaries, integrated insurance supervision, insurance / sectors, markets, legal/enforcement/international relations, and services). The strategic management of FINMA will be in the hands of its Board of Directors, chaired by Dr Eugen

Haltiner. FINMA's costs are to be financed in full via the fees and supervisory duties levied on the institutions it supervises.

Eugen Haltiner, Chairman of FINMA, said: "Preparations have involved many months of hard work, but integrated financial market supervision is about to become a reality in Switzerland. I am convinced that FINMA will be a supervisory authority capable of taking on the challenging functions at national and international level that a financial centre like Switzerland entails."

FINMA's Director-designate Patrick Raaflaub said: "FINMA will be starting its work in a difficult market environment. Recent months have shown just what supervision is all about, but also highlighted what it can and cannot do. FINMA is not going to make everything 'different', nor is it going to make everything 'better', but I believe it will give us a sound foundation on which to face new challenges and further develop our approach to supervision. We will be doing everything we can to make our supervision both effective and credible."

Further information relating to FINMA may be found at www.finma.ch. This website will replace those of the three authorities to be merged into FINMA effective 5 January 2009.

Note

Due to migration operations, access to the new FINMA and the three authorities it replaces will be limited between 29 December 2008 and 4 January 2009. In cases of emergency, please use the main telephone number (+41 (0)31 327 91 00) or send an email to info@finma.ch.

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