

Press release

Date: 11 June 2010

Embargo: -

FINMA proposes to harmonise the Anti-Money Laundering Ordinances

FINMA is opening the consultation period for the draft on the harmonisation of the FINMA Anti-Money Laundering Ordinance. Drawn up by the respective predecessor institutions, the three current FINMA anti-money laundering ordinances in force have been combined in this draft of the ordinance. The ordinance is directed at all financial intermediaries falling under the Anti-Money Laundering Act. The deadline for submitting comments on the draft Anti-Money Laundering Ordinance and the accompanying report is 12 July 2010.

The duties of the financial intermediaries to prevent money laundering and terrorist financing are set down in the Anti-Money Laundering Act. Its current legal framework is specified in FINMA's three ordinances drawn up by its predecessor institutions: the Swiss Federal Banking Commission, the Federal Office of Private Insurance and the Anti-Money Laundering Control Authority. In particular it deals with:

- the Ordinance on the Prevention of Money Laundering and Terrorist Financing in the Banking, Securities Trading and Collective Investment Schemes Sectors [AMLO-FINMA 1];
- the Ordinance on the Prevention of Money Laundering and Terrorist Financing in the Private Insurance Sector [AMLO-FINMA 2];
- the Ordinance on the Prevention of Money Laundering and Terrorist Financing in the Rest of the Financial Sector [AMLO-FINMA 3].

These three ordinances are now to be harmonised in the FINMA Anti-Money Laundering Ordinance. In doing so, the rules for the different areas are to be adopted unchanged in the new Anti-Money Laundering Ordinance. The present draft is primarily a technical combination. Where possible, the ordinance text has been simplified. Certain changes have been made to eliminate unjustified unequal treatment between the supervisory areas.

The draft ordinance also includes a few other notable changes, namely the waiver of the duty to perform due diligence for low-value assets, the provisions relating to delegation and the appointment of

third parties, the provision on correspondent banking relationships, and the new reference in relation to self-regulation to the rule book of the self-regulatory organisation of the Swiss Insurance Association SRO-SIA (see explanatory report available in German and French). Some of the amendments have taken into account the criticism expressed by the Financial Action Task Force (FATF) in its 2009 report. Specifically, the provisions of AMLO-FINMA 1 dealing with foreign subsidiaries and branch offices have now been extended to all areas of the financial sector.

The deadline for submitting comments on the draft ordinance and explanatory report is 12 July 2010.

Contact

Tobias Lux, Media Spokesperson, Tel. +41 (0)31 327 91 71, tobias.lux@finma.ch