

Press release

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FINMA amends Ordinance on Data Processing

The Swiss Financial Market Supervisory Authority FINMA is amending its Ordinance on Data Processing. In the Ordinance FINMA defines how it collects information to assess an individual's compliance with proper business conduct requirements (data collection to monitor proper business conduct). The revised version of the Ordinance enters into force on 15 September 2017.

Under the provisions of financial market legislation and the Financial Market Supervisory Act, FINMA is permitted to collect and process personal data. This includes information for assessing personal compliance with the proper business conduct requirements, also referred to as the watch list. The data collected is used to ensure that supervised institutions only entrust board and executive management to individuals demonstrating proper business conduct (see explanation below), particularly so that past cases of non-compliance with these requirements are not repeated at another company.

The Ordinance on Data Processing ([FINMA Data Processing Ordinance](#)), in which FINMA establishes its rules on data collection, has been revised to specify which personal data can be collected. The revised Ordinance implements the Federal Supreme Court decision of 22 March 2017, which upheld that FINMA is authorised to collect data for assessing compliance with proper business conduct requirements. The Court also gave its opinion on data quality standards, especially concerning those categories of data which may be collected and stored.

Furthermore, FINMA's current practice of informing individuals who have been placed on the watch list is clearly specified in the revised Ordinance. Any existing data collection entries which do not meet the requirements of the revised Data Ordinance will be deleted.

For more information on FINMA's supervision of proper business conduct, see www.finma.ch.

Reference:

Proper business conduct

Top management members of supervised institutions are required by financial market legislation to demonstrate proper business conduct in order to safeguard public trust in institutions supervised by FINMA as well as Switzerland's reputation as a financial centre. Proper business conduct covers all personal and professional attributes required by an individual to adequately perform their governance and management duties.