

Press release

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FINMA annual media conference 2022: stability of the financial institutions is key

The Swiss Financial Market Supervisory Authority FINMA today published its 2021 Annual Report at its annual media conference. In her speech, FINMA's Chair Marlene Amstad considered the stability of the Swiss financial institutions to be good on the whole and a key prerequisite for focusing on topics of future relevance such as digitalisation and sustainability. FINMA CEO Urban Angehrn's speech highlighted FINMA's activities in the context of the Ukraine war. He also addressed the significant risks that still exist in the Swiss real estate and mortgage markets.

At today's annual media conference, FINMA published its [Annual Report](#) for the year 2021. Besides the retrospective report, this also encompasses the annual financial statements. In addition, FINMA is providing data on [enforcement cases](#) in a database as well as [statistics](#) on its website.

Stability – the foundation for innovation and sustainability

At FINMA's annual media conference, the Chair of the Board of Directors Marlene Amstad stated that the stability of the individual institutions is central to client protection and to the financial system as a whole. "FINMA's experience of recent crises and accidents demonstrates that the institutions in the Swiss financial centre comfortably meet the stability test. The required buffers – which FINMA has been committed to since the global financial crisis of 2008 – were in place," according to Amstad. But she insisted that the final stages of the planned regulation (Basel III) must now be completed swiftly. FINMA's Chair concluded: "Building on these solid foundations, I believe Switzerland is well-positioned to seize the opportunities offered by digitalisation and the inexorable drive for greater sustainability."

Do not fuel demand for mortgage loans

FINMA's CEO Urban Angehrn explained how the supervisory authority is dealing with the effects of the Ukraine war on the Swiss financial institutions. He stated, "this conflict poses numerous risks for the Swiss financial sector and accentuated risks for individual institutions." He said that FINMA is

keeping an eye on these. FINMA's CEO currently takes the view that the effects of the conflict do not constitute a wide-scale threat to the stability of the Swiss financial market.

In the second part of his speech, Angehrn described the risks posed by the Swiss mortgage market to the financial institutions. Urban Angehrn expressly warned against taking further risks here. "A correction of the real estate markets poses a concentration risk for our economy as a whole, and particularly for highly exposed institutions." He added: "As a supervisory authority overseeing the financial centre, we are highly sceptical of such relaxations to the requirements for mortgage lending. They would further increase the already significant risks in the market."

Enforcement: focus on money laundering and corporate governance

FINMA conducted 650 investigations in 2021 (2020: 628) and 34 enforcement proceedings (2020: 33) to enforce financial market law (see [enforcement statistics](#)). Among other things, FINMA dealt with complex cases in relation to combating money laundering as well as deficiencies in corporate governance and in risk management at supervised institutions (see [case reports](#)).

Annual financial statements: stable costs

Compared with the previous year, FINMA's annual financial statements showed constant operating costs of CHF 126 million (2020: CHF 126 million). Whereas FINMA's costs rose slightly in 2020 (+CHF 3.4 million) due to the implementation of the Financial Market Infrastructure Act and the Financial Services Act, the additional costs resulting from this continuing work were compensated by lower operating costs in 2021. The total costs were covered by supervisory fees and levies. The average number of full-time equivalent positions at the authority was 519 in 2021 and has increased slightly compared with the previous year (501) due to the aforementioned additional responsibilities.