

Scenario 3: AI concentration

*Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland), Solicitor (Hong Kong),
Solicitor (England & Wales)*

In the third scenario, the market for artificial intelligence becomes highly concentrated. By 2035, a handful of providers in the United States and China supply the models on which banks, insurers and pharmaceutical groups depend, together with the cloud infrastructure on which they run. Swiss institutions have little bargaining power, while their data flow to providers subject to foreign law. Geopolitical tensions lead to restrictions on access to models or chips. Supervisors worry about the resilience of a financial system whose critical functions depend on a few foreign firms.¹

Switzerland has tried to anticipate this scenario. The Swiss AI Initiative, launched by ETH Zurich and EPFL in December 2023 with the support of the Swiss National Supercomputing Centre in Lugano, aims to develop open models trained on Swiss infrastructure. In September 2025, the initiative published Apertus, a large language model released with open weights, open training data documentation and support for many languages, including Swiss German and Romansh.² Whether such models can keep pace with the leading commercial systems is uncertain. They do offer an option for applications in which sovereignty, transparency and compliance with Swiss law are decisive. The banks and insurers of Basel could become early users of such models. Indicators of this scenario would be rising market shares of the leading providers, export restrictions on models or chips, supervisory statements on concentration risk and public investment in sovereign infrastructure.

1 Notes

1. Scenario constructed by the author. On concentration risks from third-party providers, see Financial Stability Board, Enhancing Third-Party Risk Management and Oversight: A Toolkit for Financial Institutions and Financial Authorities, December 2023. To be verified.



Scenario 3: AI concentration

2. ETH Zurich, EPFL and CSCS, announcement of the Swiss AI Initiative (December 2023) and release of the Apertus model (September 2025); on the "Alps" supercomputer at CSCS in Lugano. Status to be verified. ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/basel-scenario-3-ai-concentration