

FINMA and enforcement of the law

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FINMA has extensive powers to enforce financial market law. It may order the restoration of compliance with the law, confiscate profits made in breach of the law, prohibit individuals from holding a senior management position, publish its decisions and, in serious cases, withdraw the authorisation.¹ It does not have the power to impose fines on institutions, a matter that has been debated since the Credit Suisse crisis.

FINMA also insists on the competence of institutions. At a conference held on 8 April 2025, it called for the strengthening of skills, according to the account given in the survey of the Fondation Genève Place Financière.² This requirement concerns in particular risk management, compliance and anti-money laundering, fields in which the growing complexity of the rules and the risks calls for qualified specialists.

The supervision of independent wealth managers by supervisory organisations is an original model, which delegates part of the control to specialised entities while maintaining FINMA's responsibility for enforcing the law. According to a specialist publication, FINMA has had to take action against institutions suspected of failing to comply with the new rules.³

1 Notes

1. FINMA, “Instruments d’enforcement” (Enforcement instruments) (finma.ch/enforcement): precautionary measures, restoration of compliance with the law, declaratory rulings, prohibition from practising, prohibition from performing an activity without authorisation, publication of final rulings, confiscation of profits, withdrawal of authorisation, liquidation and bankruptcy; FINMA, “Interdiction d’exercer” (Prohibition from practising): prohibition based on Art. 33 of the Financial Market Supervision Act (FINMASA);

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LFINMA), for up to five years, aimed at persons responsible for serious violations of supervisory law in a senior management function. ↩

2. Allnews, 16 October 2025, cited above. ↩

3. LExpert Invest, cited above. ↩

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