

Sanctions, data protection and outsourcing

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The regulatory framework for wealth management also includes international sanctions. Institutions must screen their clients, their counterparties and their transactions against the sanctions adopted by Switzerland, and must take foreign regimes into account where their operations are exposed to them. Part H will examine this field, which has gained considerable importance since 2022.

Data protection forms another component. The federal data protection legislation, revised and in force since 2023, imposes obligations of transparency, security and documentation that come in addition to bank client secrecy.¹ The outsourcing of functions, in particular IT functions, to service providers, some of them established abroad, must comply with FINMA's requirements and guarantee the confidentiality of client data.²

1 Notes

1. Federal Act of 25 September 2020 on Data Protection (FADP; SR 235.1), in force since 1 September 2023; Federal Office of Justice, "Nouveau droit de la protection des données", bj.admin.ch (accessed September 2026). ↩

2. FINMA, press release of 5 December 2017, “La FINMA publie la circulaire sur l’outsourcing” (FINMA publishes the circular on outsourcing): Circular 2018/3 “Outsourcing – banks and insurers”, in force on 1 April 2018, applicable to banks, securities dealers and insurance companies; principles based on the institution’s continuing responsibility for outsourced activities; transitional period for banks’ existing outsourcing arrangements extended from two to five years. ↩

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