

The genesis of the law: from 1933 to 1934

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

The draft Federal Banking Act was launched at the beginning of 1933. According to a study of the history of Swiss banking regulation, the deliberations lasted twenty months, from February 1933 to November 1934, and the text grew considerably in the course of the procedure: the first draft contained fifteen articles presented on five pages, whereas the final law runs to twenty-one pages and comprises fifty-six articles.¹ The law was adopted by the Federal Chambers on 8 November 1934.²

The draft took up the idea, first formulated in 1916, of introducing auditors charged with inspecting the banks, and it provided for their work to be backed by the authority of a federal banking commission.³ This supervisory dimension worried the bankers, who were attached to their freedom of action and to the confidentiality of their business. According to *Le Temps*, they obtained in return the addition of precise provisions on professional secrecy, which would become the famous Article 47.⁴

The law of 1934 thus established a system of supervision resting on two pillars. Banks had to have their accounts audited by licensed auditors, who verified their financial position and their compliance with the statutory rules. A federal banking commission supervised the application of the law and could intervene in the event of a breach. This system of indirect supervision, relying on private auditors, would remain a characteristic feature of Swiss banking regulation until the twenty-first century.⁵

The law also laid down capital and liquidity requirements, organised the publication of accounts, provided rules on the restructuring and bankruptcy of banks, and granted special protection to savings deposits. It distinguished several categories of institution, among them the cantonal banks and the private bankers, which benefited from certain accommodations.

Key points. The Federal Banking Act, adopted on 8 November 1934 after twenty months of deliberation, established supervision based on auditors and on a federal banking commission. The text, which grew from fifteen to fifty-six articles in the course of the procedure, also contains provisions on professional secrecy obtained by the bankers.

1 Notes

1. Histoire de la régulation des banques en Suisse, Geneva, Droz, chapter IV, consulted on Cairn.info (September 2026). ↩
2. “1934 : le secret bancaire entre dans la loi”, Le Temps, 4 April 2009; article “Secret bancaire en Suisse”, Wikipédia (fr) (accessed September 2026). ↩
3. Le Temps, 4 April 2009, cited above. ↩
4. Le Temps, 4 April 2009, cited above. ↩
5. Federal Banking Act (BankA; SR 952.0), Art. 18 para. 1 (version of 20 December 2008): “Banks, financial groups and financial conglomerates shall appoint a licensed audit firm to carry out an annual audit”; Art. 23: FINMA may itself carry out direct inspections where such inspections prove necessary; Federal Act of 22 June 2007 on the Swiss Financial Market Supervisory Authority (FINMASA), FINMA having begun its activities on 1 January 2009 by merging the Federal Banking Commission, the Federal Office of Private Insurance and the Anti-Money Laundering Control Authority; Thibaud Giddey, Histoire de la régulation des banques en Suisse (1914-1972), Geneva, Droz, 2019 (presentation, wp.unil.ch/labelettres): “A supervisory authority, the Federal Banking Commission – forerunner of today’s FINMA – is put in place”. ↩

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