

The legacy of 1934 in today's supervision

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

The law of 1934 has been revised many times, but it still forms the foundation of Swiss banking supervision. Several of its principles survive: the prior licensing of banks, capital and liquidity requirements, auditing by licensed audit firms, supervision by a federal authority and the criminal-law protection of professional secrecy.

Other elements have been added over the decades. Deposit insurance now protects depositors up to a certain amount in the event of a bank's bankruptcy.¹ The rules on systemically important banks impose enhanced requirements on the largest institutions. The international Basel standards, transposed into Swiss law, have profoundly altered the capital and liquidity requirements.² The Fondation Genève Place Financière, moreover, lists the entry into force of the final version of Basel III on 1 January 2025 among the regulatory challenges facing the financial centre.³

Contemporary supervision remains marked by the spirit of 1934: it relies on audit firms, it respects a certain autonomy of the institutions and it seeks to preserve the competitiveness of the financial centre. The Credit Suisse crisis of 2023 revived the debate on the intensity of this supervision and on the powers of the authority. Part E will examine these developments.

1 Notes

1. Privileged and insured deposits up to CHF 100,000 per client and per bank, with, since 1 January 2023, payout within seven working days and a system ceiling of 1.6 per cent of insured deposits; esisuisse, "Changements à compter de 2023", esisuisse.ch (accessed September 2026). ↩
2. Federal Council, press release of 29 November 2023, "La modification de l'ordonnance sur les fonds propres en vue de la mise en œuvre du dispositif finalisé de Bâle III entrera en vigueur en 2025" (admin.ch):

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amendment to the Capital Adequacy Ordinance adopted on 29 November 2023, incorporating “the finalised Basel III framework adopted by the Basel Committee on Banking Supervision”, in force on 1 January 2025. ↩

3. Fondation Genève Place Financière, 2025 economic survey, presented in Allnews, 16 October 2025. ↩

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