

The supervisory organisations: a new link in the chain

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The supervisory organisations created by the Financial Institutions Act are a new link in the chain of the ecosystem. Licensed and supervised by FINMA, they supervise asset managers and trustees, verify compliance with the obligations arising from the Financial Institutions Act, the Financial Services Act and the Anti-Money Laundering Act, and report irregularities to the authority, which remains responsible for enforcing the law.¹ Several of them have emerged from former self-regulatory organisations which extended their remit.²

For the managers, the supervisory organisation is a day-to-day counterpart: it examines the application for affiliation, issues the confirmation required for the licence, sets the frequency of audits according to the risks and follows changes in the organisation. Its closeness to the field and its knowledge of small structures are assets, provided it has sufficient resources and genuine independence from its affiliated members, who finance it.

This model of delegated supervision extends the Swiss tradition of self-regulation, born with the Due Diligence Agreement of 1977, within a framework now laid down by law and controlled by FINMA. It reflects the way in which the financial centre has built its regulatory framework: in stages, by involving the actors, and under the pressure of crises and international standards.

1 Notes

1. FINMA, press release of 7 July 2020, “Mise en œuvre LSFIn/LEFin : la FINMA autorise les premiers organismes de surveillance” (Implementation of FinSA/FinIA: FINMA licenses the first supervisory organisations). ↩

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2. “LSFin et LEFin : une surveillance accrue” (FinSA and FinIA: increased supervision), Allnews, 30 September 2019. ↩

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