

Zug: competition within Switzerland

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

Competition between centres also comes from inside the country. The canton of Zug, an hour from Zurich, is home to the headquarters of the world's largest metals and commodities trader and to a concentration of metals, energy and agricultural traders, attracted by one of the lowest tax burdens in Switzerland, a responsive administration and the proximity of Zurich.¹ Zug holds a significant share of the value added of Swiss commodity trading, behind Geneva, and stands out for metals and ores, while Geneva dominates energy and agricultural products.²

This division is stable. Competition between the two cantons is less intense than between Geneva and Dubai: traders choose Zug or Geneva according to their product, their history and their clientele, since the two centres share the same law, the same currency, the same banks and the same umbrella association. Zug nevertheless reminds Geneva that taxation matters within Switzerland as well, and that Geneva's cluster of financing, inspection and law is what keeps in Geneva traders whom Zug could host at a lower tax cost.

1 Notes

1. Wikipedia (en), art. "Glencore": company descended from Marc Rich + Co AG, founded in Baar in 1974, bought out by its managers in 1994 and renamed Glencore; initial public offering in May 2011 valuing the group at USD 61 billion; merger with Xstrata completed on 2 May 2013; guilty plea to bribery on 24 May 2022 (approximately USD 1.5 billion in penalties); approximately 150,000 employees; KPMG, press release of 20 May 2025, Clarity on Swiss Taxes: ordinary corporate profit tax rate of 11.85% in the canton of Zug, the lowest in Switzerland, against 14.7% in Geneva and a Swiss average of 14.4%; FSO, press release of 18 November 2025: 27% of the value added of Swiss commodity trading in the canton of Zug. ↩

Zug: competition within Switzerland

2. Federal Statistical Office, November 2025, cited above, which attributes to Geneva 58.4% of the value added of Swiss commodity trading, ahead of Zug. ↩

For general information only. This article does not constitute legal or tax advice, does not replace advice on an individual case and creates no lawyer-client relationship. It reflects the legal position as of September 2026.

Online version: helveticaregister.com/geneva-zug-competition-within-switzerland