

The Global Forum Act of 2019

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The second break was the Federal Act of 21 June 2019 implementing the recommendations of the Global Forum, which entered into force on 1 November 2019. It abolished bearer shares for all companies with two exceptions (Art. 622 para. 1bis CO). The first covers companies that have equity securities listed on a stock exchange. The second covers bearer shares structured as intermediated securities (*Bucheffekten*) deposited with a custodian in Switzerland or entered in the main register.¹ Companies with bearer shares that did not meet either condition had eighteen months to convert them. On 1 May 2021 all remaining bearer shares of non-qualifying companies were converted into registered shares by operation of law, irrespective of the certificates, the articles of association or the entries in the commercial register.²

The Act combined the conversion with a sanction that made the abolition effective. Shareholders of converted companies who had not reported their identity under Art. 697i CO could apply to the court for their entry in the share register within five years. After 1 November 2024 the shares of those who had not done so became void by operation of law, and the holders lost their rights without compensation. A shareholder who lost his shares without fault because of special circumstances may claim compensation within ten years, although the claim is excluded when the company lacks sufficient freely disposable equity.³ At the same time the Act introduced two criminal offences. Art. 327 SCC punishes any person who wilfully fails to report the beneficial owner of shares. Art. 327a SCC punishes any person who fails to keep the share register or the register of beneficial owners properly. The fines can reach CHF 10,000.⁴ The Act also required foreign companies with their effective administration in Switzerland to keep a register of their owners at the place of administration, a rule of practical importance for Panamanian or British Virgin Islands companies managed from Lugano offices.

1 The share register as the core of corporate transparency

The share register (*Aktienbuch, libro delle azioni*) under Art. 686 CO and the register of beneficial owners under Art. 697l CO thus became the two central documents of every Swiss stock corporation. Both must be kept in a way that allows access in Switzerland at any time, and the supporting documents must be kept for ten years after the deletion of a person from the register.⁵ For the companies of Ticino, many of which were founded in the 1960s and 1970s with bearer shares, the reform forced a reconstruction of ownership histories that had sometimes been lost with the death of the founder. Lawyers and fiduciaries in Lugano spent much of 2020 and 2021 identifying shareholders, collecting share certificates and convincing heirs to come forward before the deadline.

The new TJPG builds on these registers and partly replaces them. According to the final text adopted by Parliament, Art. 697j to 697m CO are repealed, because the duty to identify and report the beneficial owner now arises from the TJPG and its federal register.⁶ The company law duty to keep a share register remains. The shift has a conceptual meaning. The identity of the controlling person, which the 2015 rules treated as a matter between shareholder and company, becomes information held by the Confederation and accessible to defined authorities and financial intermediaries.

Essentials. Swiss corporate transparency developed in three steps. The GAFI Act of 2014 obliged acquirers of bearer shares and holders of 25 per cent to report to the company from 1 July 2015 (Art. 697i and 697j CO). The Global Forum Act of 2019 abolished non-listed bearer shares, converted the rest on 1 May 2021 and voided unreported shares on 1 November 2024, with fines under Art. 327 and 327a SCC. The TJPG of 2025, in force since 1 October 2026, moves the beneficial owner information from the company's internal register to a federal register.

2 Notes

1. PwC Switzerland, "Das neue «Global Forum Gesetz»: Abschaffung der meisten Inhaberaktien und verschärfte Meldepflichten", <https://www.pwc.ch/de/insights/regulierung/das-neue-global-forum-gesetz.html> (law of 21 June 2019; entry into force on 1 November 2019; exceptions for listed companies and for intermediated securities).
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2. "BG zur Umsetzung der Empfehlungen des Global Forum am 01.11.2019 in Kraft getreten", [law.ch](http://www.fedlex.admin.ch/eli/cc/2019/111), November 2019,

<https://law.ch/lawnews/2019/11/bg-zur-umsetzung-der-empfehlungen-des-global-forum-am-01-11-2019-in-kraft-getreten/>;
PwC (above), on the automatic conversion on 1 May 2021. ↩

3. PwC (above): after five years, i.e. on 1 November 2024, the shares of unregistered shareholders became "von Gesetzes wegen nichtig". PwC also describes the compensation claim for shareholders who lost their shares without fault because of "besondere Umstände", to be asserted within ten years and excluded where the company lacks sufficient freely disposable equity. ↩
4. PwC (above), on Art. 327 and 327a of the Swiss Criminal Code of 21 December 1937 (SCC), SR 311.0, and fines of up to CHF 10,000; law.ch, November 2019 (above), on foreign companies with effective administration in Switzerland. ↩
5. CO, Art. 686 para. 1 (share register accessible in Switzerland at any time) and para. 5 (ten-year retention of supporting documents), <https://www.droit-bilingue.ch/de-fr/2/22/220-686-956.html>; Art. 697I para. 3 (ten-year retention) and para. 4 (access in Switzerland), in the version in force until 30 September 2026, <https://www.droit-bilingue.ch/de-fr/2/22/220-697I-987.html>. ↩
6. Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners (TJPG) of 26 September 2025, final vote text,
[https://www.parlament.ch/centers/eparl/curia/2024/20240046/Schlussabstimmungstext %201%20SN%20D.pdf](https://www.parlament.ch/centers/eparl/curia/2024/20240046/Schlussabstimmungstext%201%20SN%20D.pdf), annex on the amendment of other acts. ↩

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