

The travel rule without exception

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In payment transactions Swiss law has long required that the originator's name, account number and address accompany a wire transfer, so that the receiving institution knows who sent the funds. The rule is found in Article 10 of the FINMA Anti-Money Laundering Ordinance and corresponds to Recommendation 16 of the Financial Action Task Force (FATF). In 2019 the FATF extended its standard to virtual asset service providers, requiring them to transmit originator and beneficiary information with transfers of virtual assets.¹ On 26 August 2019 FINMA published Guidance 02/2019, which stated that it had consistently applied the Anti-Money Laundering Act to blockchain service providers on a technology-neutral basis. Information about the client and the beneficiary must be transmitted with transfers of tokens. FINMA-supervised institutions may send tokens to external wallets only if these belong to their own verified clients, and they may receive tokens only from such clients. FINMA noted that, unlike the FATF standard, this practice applied in Switzerland without the exception for unregulated wallets and was therefore one of the most stringent in the world.²

The practical effect is that a Swiss bank or exchange cannot send bitcoin to an arbitrary address chosen by a client. It must establish that the receiving wallet belongs to the client, for example by a signed message or a small test transaction, or that it belongs to another regulated provider with which information can be exchanged. Lugano providers serving Italian clients face the reverse case when they receive tokens from an Italian exchange. Since 30 December 2024 the European Union has applied a comparable rule through Regulation (EU) 2023/1113, the recast Transfer of Funds Regulation, which requires transfer information for all transfers between providers, without a minimum threshold.³ Both systems now speak the same language. The technical protocols for exchanging the information between providers remain fragmented.

1 Risk analysis, sanctions and the reform of 2026

FINMA expects supervised institutions to classify activities in Kryptowerte und Digital Assets as higher risks in their money laundering risk analysis. Chapter G.III describes how FINMA, in its Guidance 04/2026 of June 2026, criticized banks and FinIA institutions that had failed to do so. Sanctions law applies in full. The ordinances under the Embargo Act cover Kryptowerte und Digital Assets as economic resources and funds, and the measures against Russia adopted from 2022 prohibit the provision of wallet, account and custody services in Kryptowerte und Digital Assets to Russian nationals and residents, in line with the European packages.⁴ Chapter G.II treats sanctions compliance in Ticino in detail. The revision of the Anti-Money Laundering Act in force since 1 October 2026 does not change the treatment of providers of services in Kryptowerte und Digital Assets in substance. Its new duties for advisers and the transparency register affect the structures through which such providers and their clients operate.

Essentials. Providers who exchange, transfer or hold Kryptowerte und Digital Assets for others are financial intermediaries under Article 2 paragraph 3 AMLA and must be supervised by FINMA or affiliated with a self-regulatory organization. Identification for exchange transactions applies from CHF 1,000. FINMA applies the travel rule without an exception for private wallets (Guidance 02/2019). Issuers of stablecoins must identify all holders, including those on the secondary market (Guidance 06/2024).

2 Notes

1. Art. 10 para. 1 AMLO-FINMA, <https://www.droit-bilingue.ch/de-it/9/95/955.033.0-10-14.html> (name, account number and address of the originator, name and account number of the beneficiary); FATF, "Guidance for a Risk-Based Approach to Virtual Assets and Virtual Asset Service Providers", <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-rba-virtual-assets.html> (standards strengthened in October 2018 and June 2019); FINMA, Guidance 02/2019 (below) (FATF guidance of 21 June 2019; "The FATF also expects information about the client and the beneficiary to be transmitted with token transfers in the same way as for bank transfers"). ↩
2. FINMA, Guidance 02/2019 "Payments on the blockchain", 26 August 2019, <https://www.finma.ch/en/news/2019/08/20190826-mm->

kryptogwg/ (travel rule; transfers to and from external wallets only of own verified customers; "Unlike the FATF standard, this established practice applies in Switzerland without the exception for unregulated wallets and is therefore one of the most stringent in the world"). The guidance itself, <https://www.finma.ch/en/~media/finma/dokumente/dokumentententer/myfinma/4dokumentation/finma-aufsichtsmittelungen/20190826-finma-aufsichtsmittelung-02-2019.pdf>, bears the English title "Payments on the blockchain". ↩

3. Regulation (EU) 2023/1113 of the European Parliament and of the Council of 31 May 2023 (recast Transfer of Funds Regulation), <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32023R1113>, recital 30 (crypto-asset transfers subject to the same requirements "regardless of their amount") and recital 64 (application from the date of application of MiCAR, which is 30 December 2024 for the provisions concerned, see MiCAR below). ↩
4. Ordinance of 4 March 2022 on Measures in connection with the Situation in Ukraine, SR 946.231.176.72, Art. 20 para. 2 (prohibition of services "im Zusammenhang mit Kryptowallets, Kryptokonten oder der Verwahrung von kryptobasierten Vermögenswerten" for Russian nationals, natural persons resident in Russia and entities established there; exemptions in para. 3; exceptions by SECO in para. 4), <https://www.droit-bilingue.ch/de-it/9/94/946.231.176.72-20-34.html>. ↩

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