

Zug in the regulatory competition

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The regulatory framework is one of the main factors in the international competition between crypto hubs. As an early mover, Switzerland gained a lead over most other jurisdictions through FINMA's guidelines of 2018 and the DLT Act of 2020. That lead has narrowed since the European Union adopted MiCA. Singapore, Hong Kong, Dubai and Abu Dhabi have created licensing regimes for crypto service providers, while the United Kingdom is building its own regime.¹ The United States has changed its approach in 2025 with a law on stablecoins and a more favourable attitude of its regulators.²

Switzerland retains several advantages. Its framework is stable and technology-neutral, administered by a regulator with experience of crypto-assets since 2014. Its private law recognises ledger-based securities and protects clients in the bankruptcy of custodians. Its courts and professional services are reliable. Its disadvantages are the absence of access to the European market, the uncertainty of case-by-case classification and the gaps that the current reform is intended to close. For Zug, the question is whether the Swiss framework can keep pace with its competitors while preserving the qualities that attracted the industry in the first place. Part K returns to that question.

1 Notes

1. Singapore: licences for digital payment token services under the Payment Services Act 2019 (MAS, reply to parliamentary question, 26 July 2021, [mas.gov.sg](https://www.mas.gov.sg)) and FSMA 2022 Part 9 in operation from 30 June 2025 (Allen & Gledhill, 10 June 2025, [allenandgledhill.com](https://www.allenandgledhill.com)); Abu Dhabi: ADGM, "ADGM launches crypto asset regulatory framework", 25 June 2018, [adgm.com](https://www.adgm.com); Hong Kong VATP licensing regime in force since 1 June 2023 (Davis Polk, 20 June 2023, [davispolk.com](https://www.davispolk.com)); Dubai VARA established 2022 ([vara.ae](https://www.vara.ae)); UK regime under FSMA, draft SI

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published 29 April 2025 and laid in December 2025 (gov.uk), see the footnotes below. ↩

2. The White House, fact sheet "President Donald J. Trump Signs GENIUS Act into Law", 18 July 2025, [whitehouse.gov](https://www.whitehouse.gov); SEC press release 2025-30 of 21 January 2025 (Crypto Task Force) and 2025-47 of 27 February 2025 (dismissal of the enforcement action against Coinbase), [sec.gov](https://www.sec.gov). ↩

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