

- Swiss Banking

# Opportunities and challenges in the Swiss financial centre

5 September 2023

International Structured  
Product Forum, Lucerne  
August Benz, Deputy CEO

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a modern  
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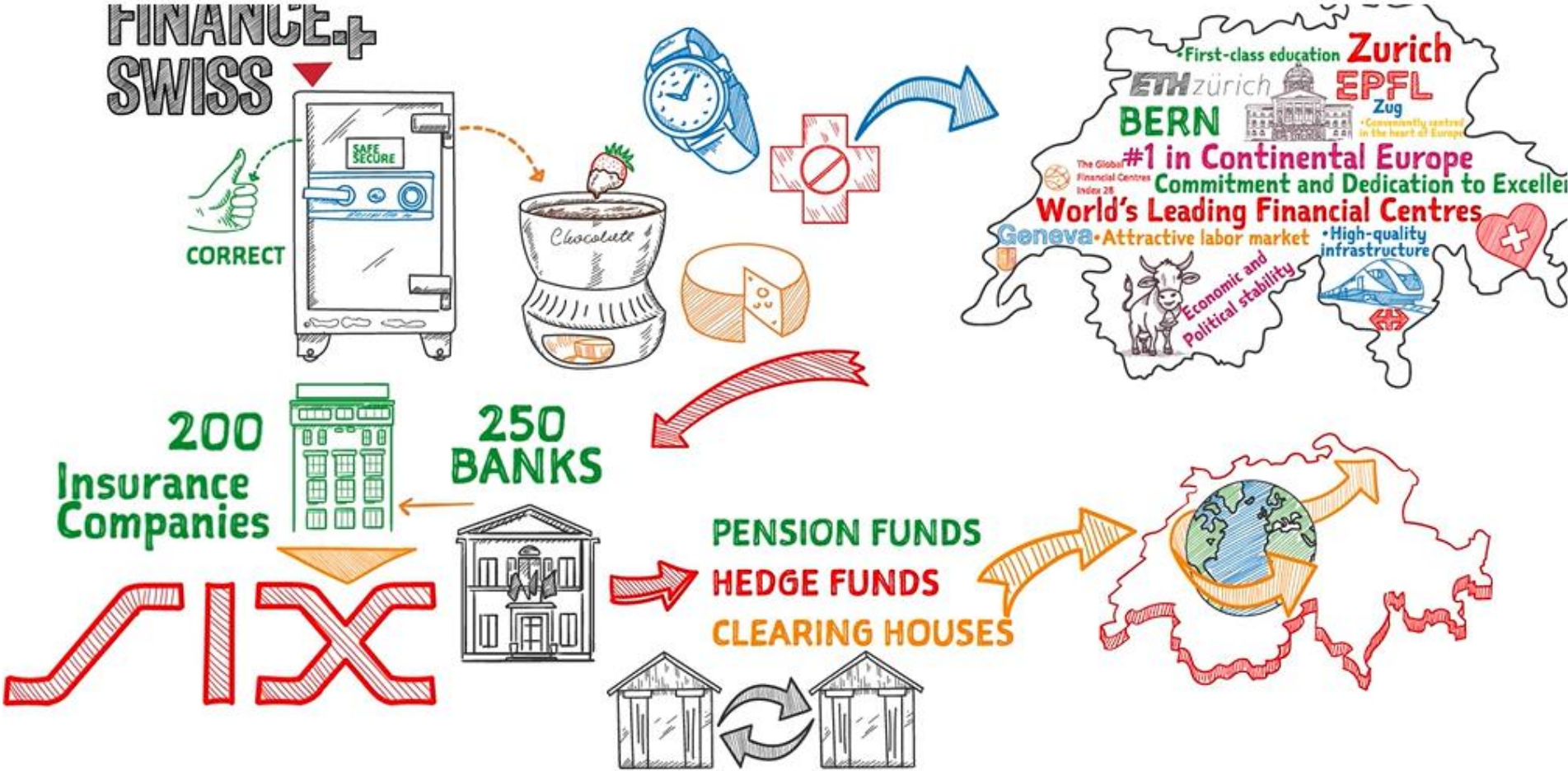
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What role could  
SSPA play?

# 1

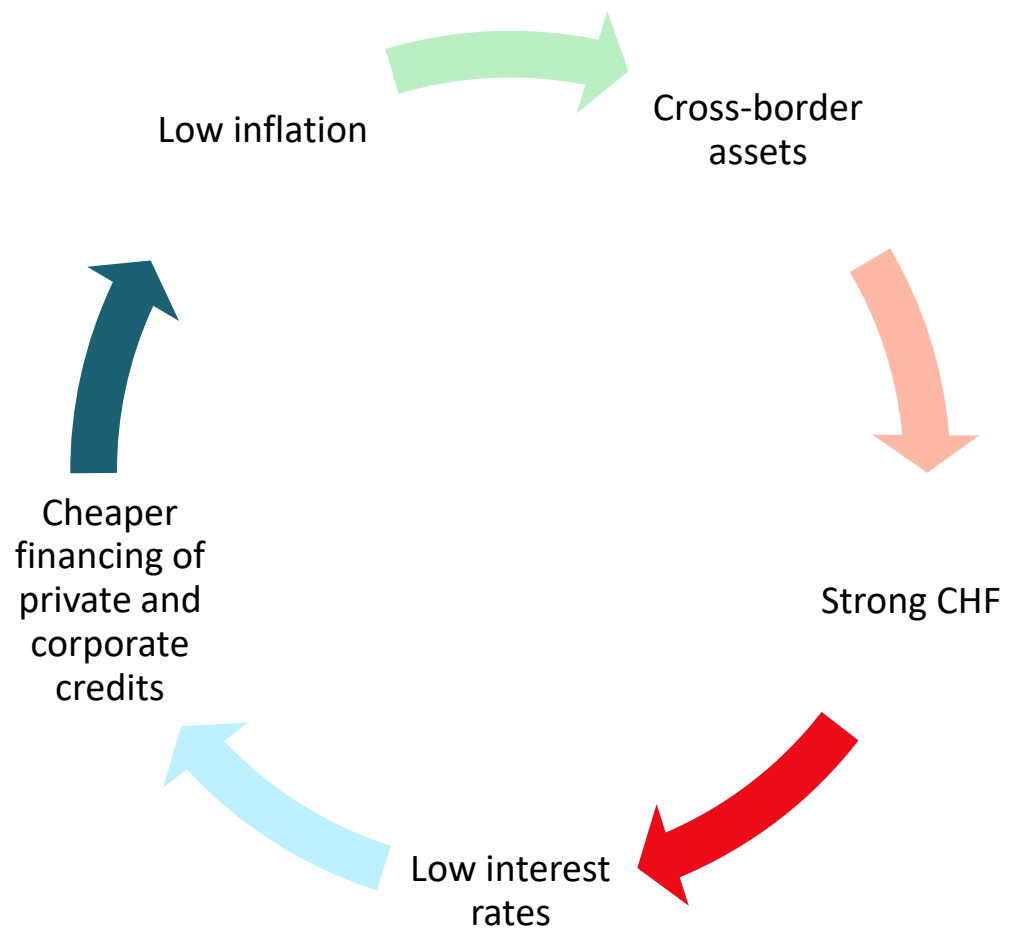
## The role of a modern Association

# The Swiss financial market



Source: finance.swiss  
Opportunities and challenges in the Swiss financial centre – August Benz

# The role of the Swiss financial market



Source: SBA

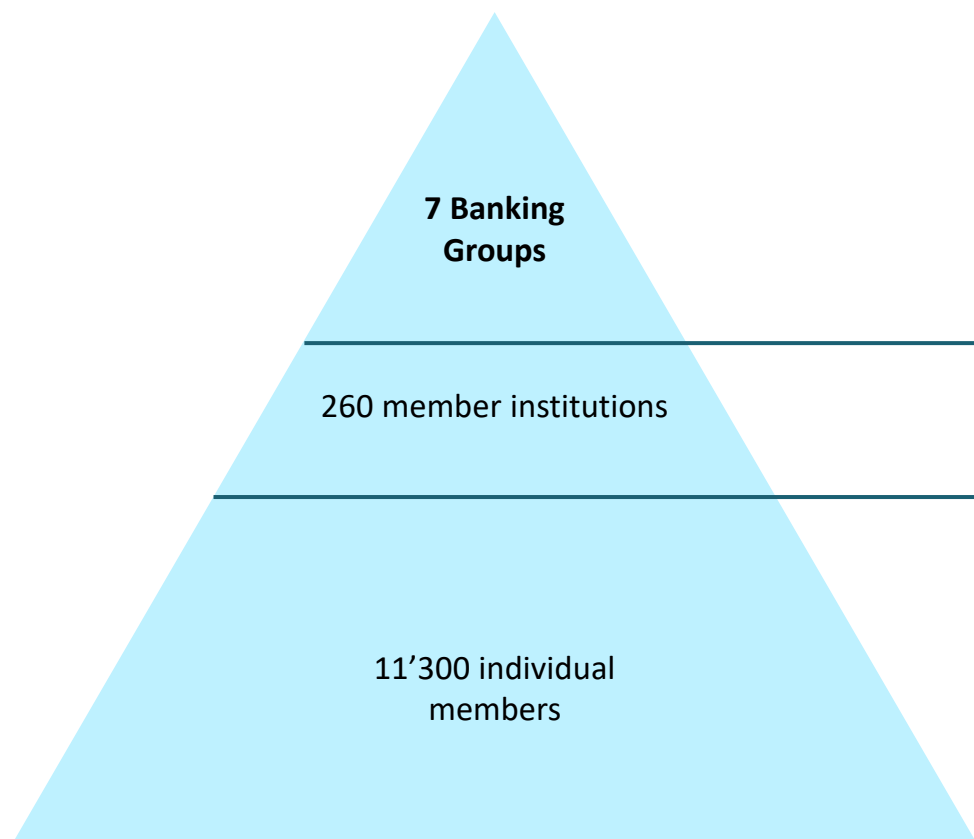
*Opportunities and challenges in the Swiss financial centre – August Benz*

# Swiss Banking operates in a symbiotic relationship with all other industries

## Consequently, Swiss Banking operates in a network of partners



# Members of the Swiss Bankers Association

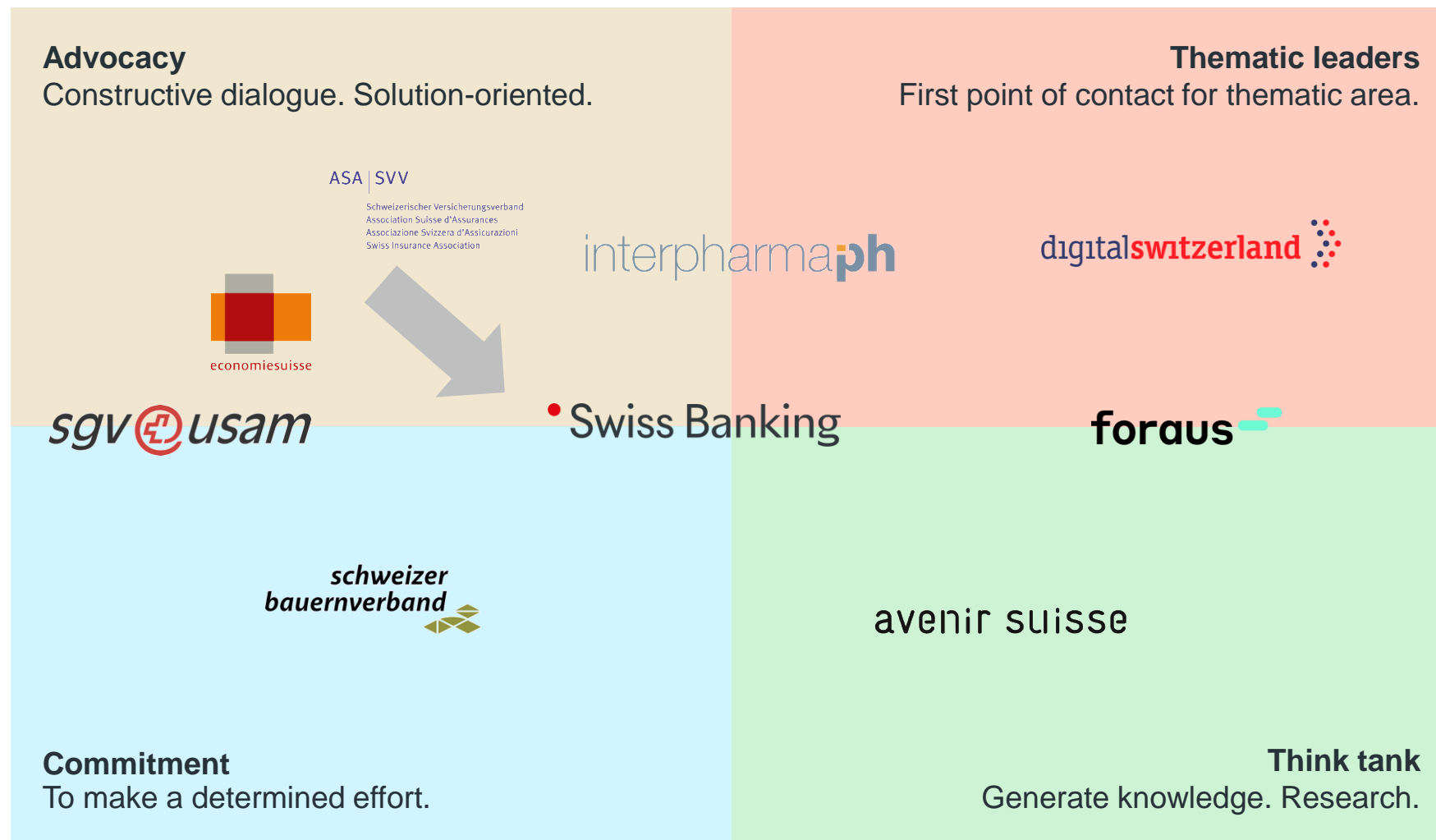


- Big bank
- Cantonal banks
- Foreign banks
- Other Banks
- Stock exchange banks
- Regional- und Savings Banks
- Private Banks

The SBA has 260 member institutions, of which 215 are banks.

The following members of member institutions can become individual members: chairmen, vice chairmen, members of the executive board and senior management. They alone have a voting right at the general assembly.

# Forms of the association's work





# Communication examples of the Association



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# Media attention

**SwissBanking - Schweizerische Bankiervereinigung**  
 9,140 followers  
 3mo • Edited •

**#ZukunftBanking**  
 BEST-OF SWISS BANKING & CRYPTO

**Finanzplatz der Zukunft:**  
 35 Movers & Shakers setzen die Agenda fürs banking of tomorrow.

READ THE THRILLER

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 RESHAPING THE INDUSTRY

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 metamedien netzwache

SRF IOVORIO

02:50 / 05:37

Impfungen: Die Schweiz fährt besser, wenn die Zögler überzogen statt lesermüdet Seite 17

## Neue Zürcher Zeitung

Freitag, 26. August 2021 • Nr. 192 • 102. Jg. NZZ - GEGRÜNDET 1780

### Klima-Investitionen geringer als gedacht

Netto mit bis 2050 ist für die Schweiz finanziierbar

Der King des Rings wird 90

Österreich lehnt Aufnahme von weiteren Afghanen ab

Auf den Schweizer Kontinent

**SB SwissBanking - Schweizerische Bankiervereinigung**  
 13,322 followers  
 3mo •

«Digitale Innovation treibt die Finanzplätze in #Singapur und in der #Schweiz an.» Das sagt **August Benz**, Leiter Private Banking und Asset Management der SBVg, der mit Bundesrat Ueli Maurer und einer Delegation des Schweizer Finanzplatzes das Singapore Fintech Festival besucht.

«L'innovation numérique est le moteur des centres financiers de Singapour et de la Suisse.» C'est ce que dit **August Benz**, Responsable Private Banking & Asset Management de l'ASB, qui visite le Fintech Festival de Singapour avec le conseiller fédéral Ueli Maurer et une délégation de la place financière suisse.

#SGFintechFest #SwissGlobalFinance #SFF2021 #digital #digitalisierung #fintech finance.swiss

See translation

**Swiss Banking**

«Digitale Innovation treibt die Finanzplätze in Singapur und in der Schweiz an.»

August Benz  
 Leiter Private Banking und Asset Management der SBVg

SRF NEWS

Kritik an Nationalbank - Bankiervereinigung: «Negativzinsen sind nicht mehr nötig»

srf.ch

**SB SwissBanking - Schweizerische Bankiervereinigung**  
 13,322 followers  
 1w •

Today the fifth edition of the **#HongKong - #Swiss Financial Seminar** took place. The speeches and the panel highlighted the good relations between the two leading centers for **#wealthmanagement** and the importance of the exchange ar ...see more

Melanie Kniff, Dr. and 14 others

Like Comment Share Send

SRF BÖRSE

02:50 / 05:37

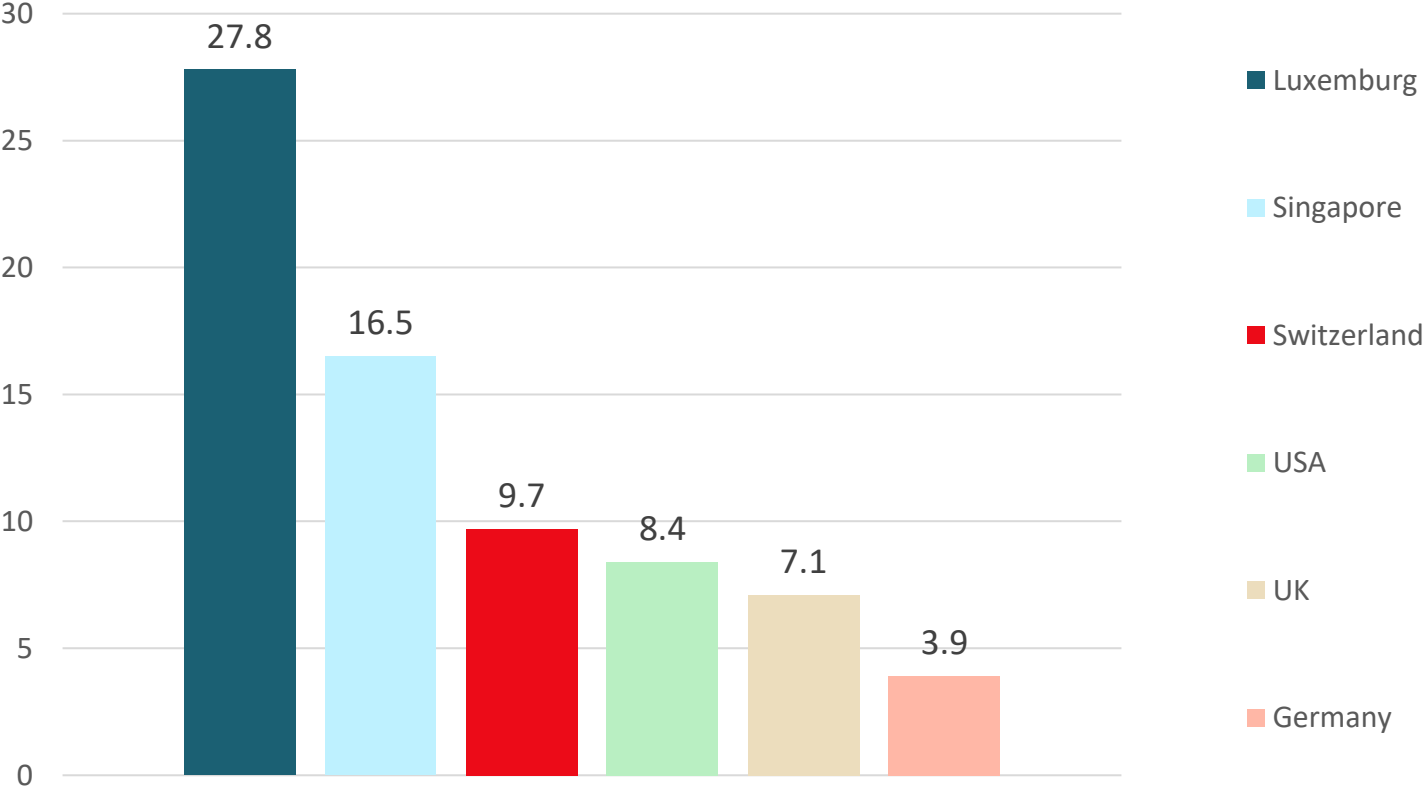
SMI -0.8% | WATCH -B- 214.00 -1.1% | SWISS LIFE 346.90 -1.1% | DAX -0.4% | SWISS

# 2

## The Swiss financial market today

# Financial centre's share of GDP

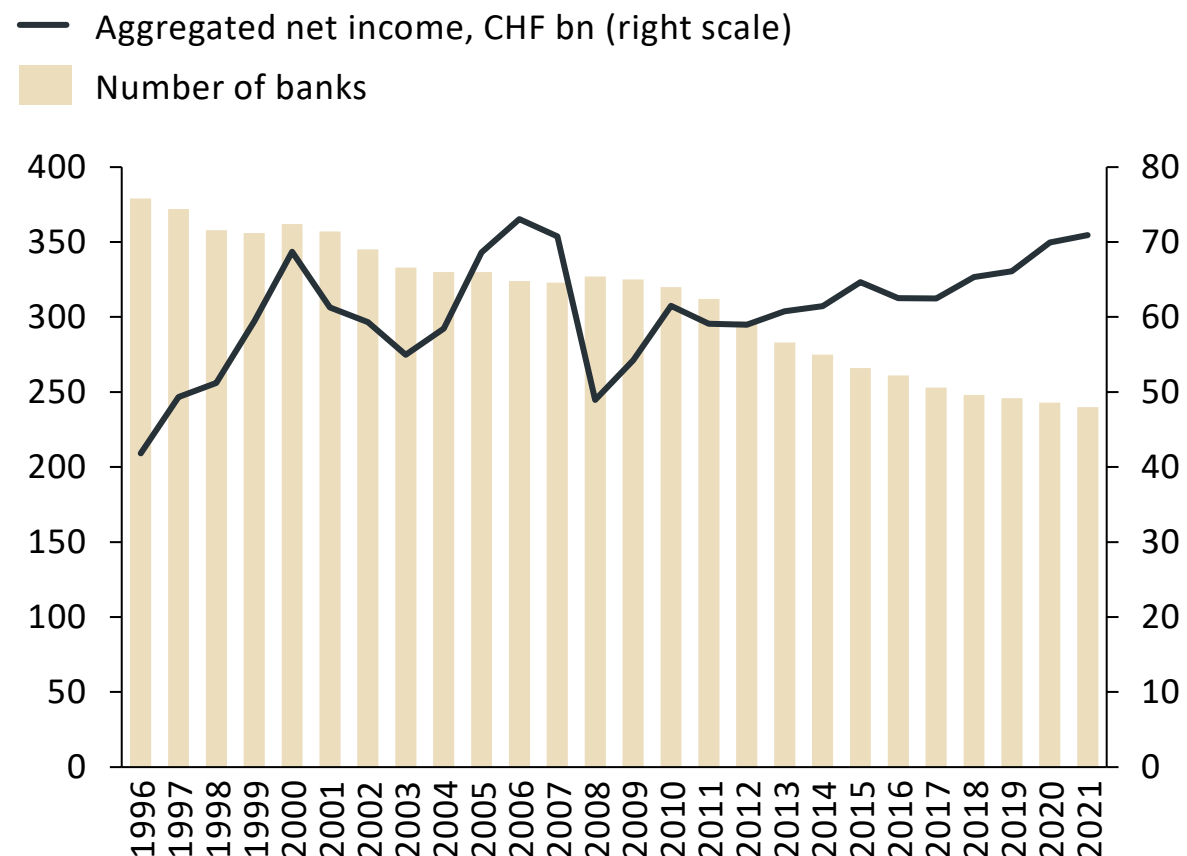
Share in %, 2020



Source: BAK Economics  
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# Technology and regulation are structurally relevant

## Number of banks and net income



- Relevant is competitiveness of Switzerland and value creation
- New technologies and business models adopted (e.g. cloud, platforms)
- Financial stability with various manifestations
  - Low interest rate environment
  - Non-banks in the market
  - Cause-related measures, regulatory approach

Source: SNB, SBA Banking Barometer 2022

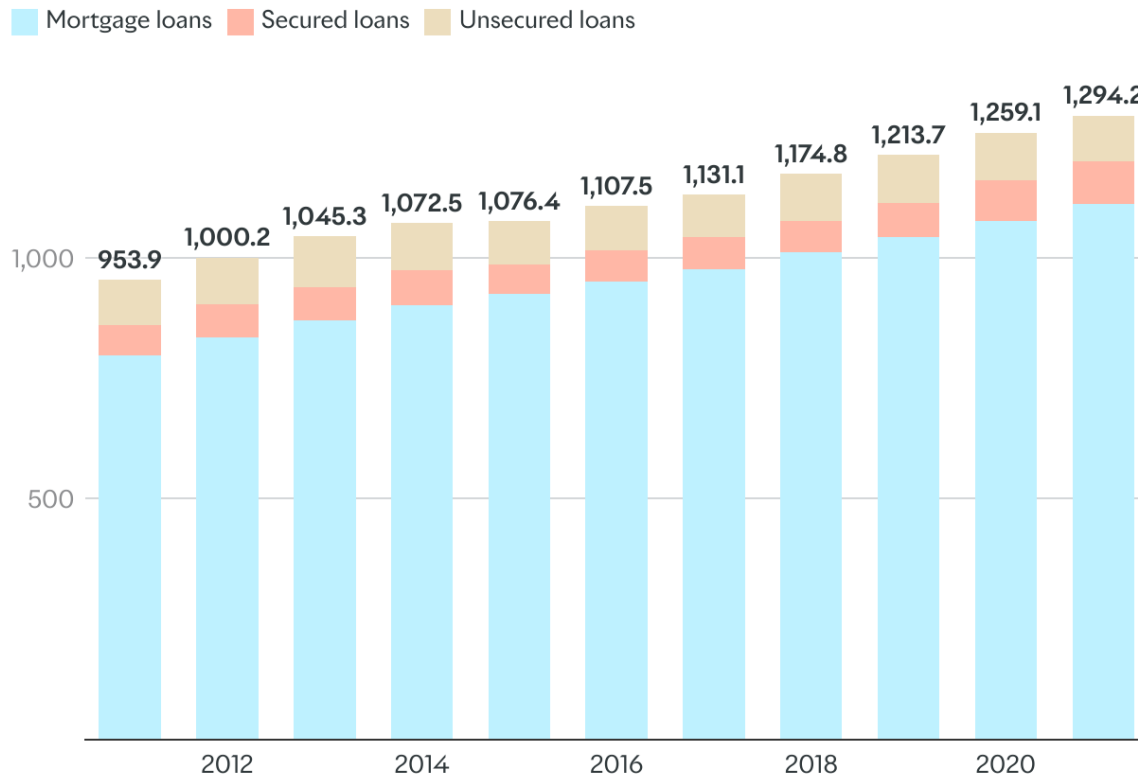
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# Lending business: Important pillar of Swiss companies

## Development of domestic credit volume, in CHF billion

### Domestic lending volume

In CHF bn



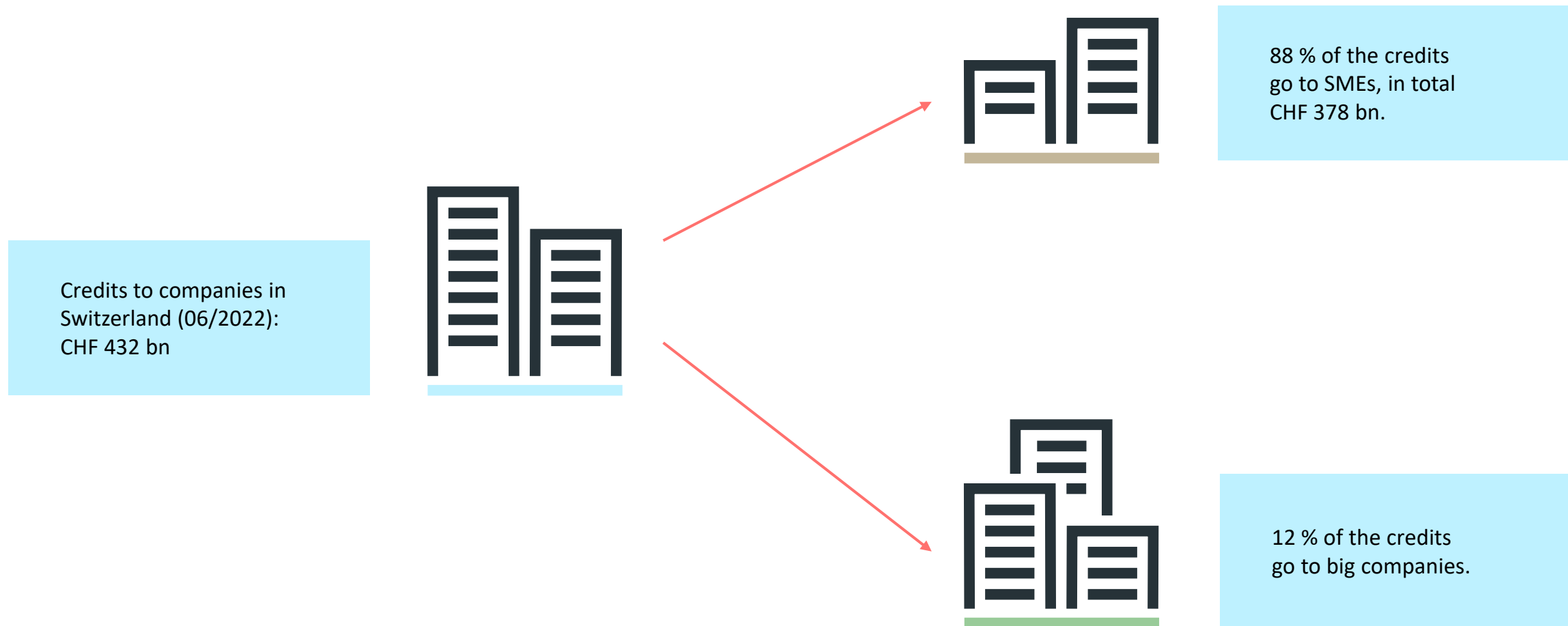
- Moderate growth in mortgage volume
- Shift to longer maturities with fixed interest rates
- SNB survey: normal lending conditions and unchanged liquidity situation for companies

Source: SNB, SBA Banking Barometer 2022

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# Significance of banks for the Swiss economy

## The example of corporate credits

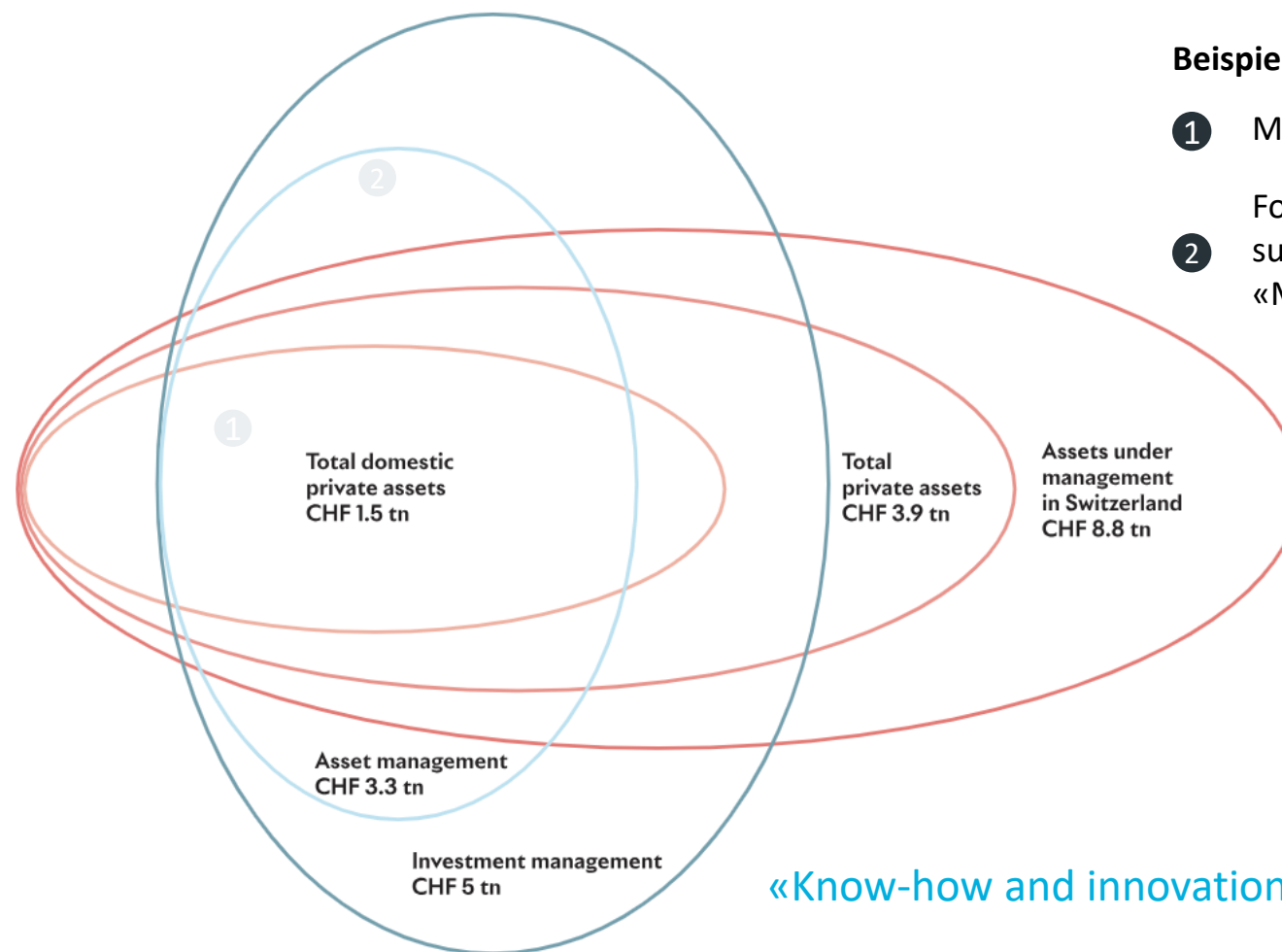


Source: SNB

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# The Swiss financial centre is closely networked and thus unique worldwide

«Safety and quality»



## Beispiele

- ① Mutual funds for retail clients
- ② Foreign pension fund holds sustainable financial product «Made in Switzerland»

«Know-how and innovation»

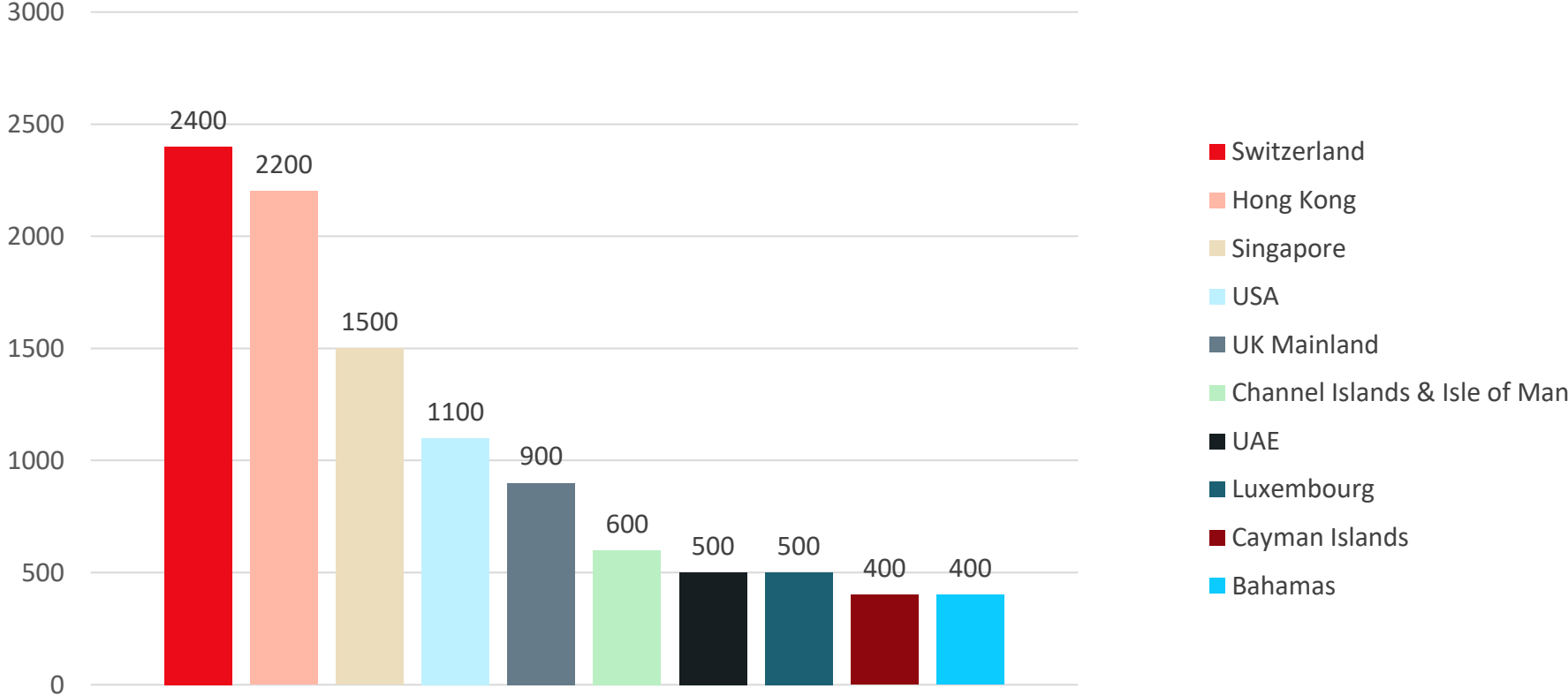
Note: relative sizes are indicative.

Source: Swiss National Bank, Boston Consulting Group, Institute for Financial Services Zug, Asset Management Association Switzerland, SBA  
*The role of SBA in ever changing financial markets – August Benz*



# The most important cross-border financial centres

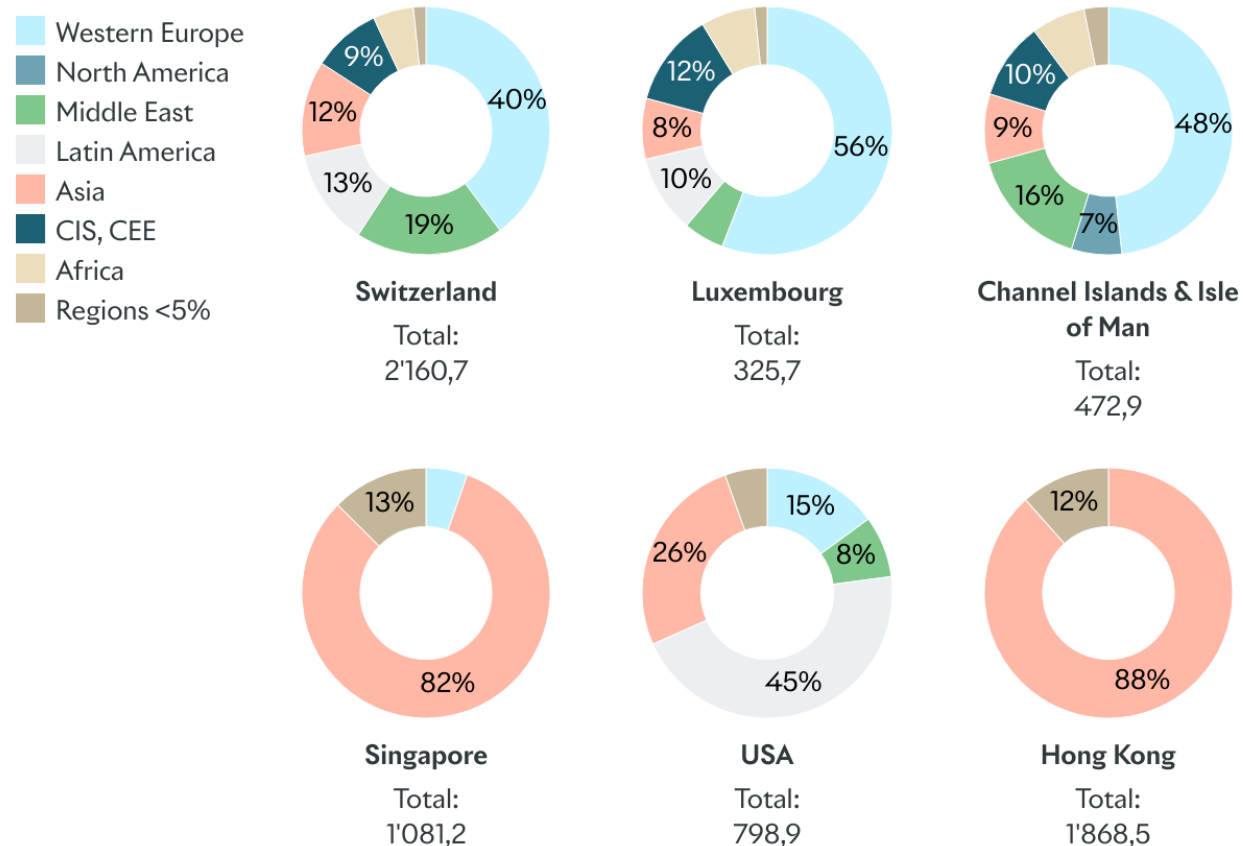
Offshore AUM 2022 (bn USD)



Source: BCG  
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# The origin of assets in cross-border business

2020, Shares of the world regions in percent, total in CHF bn



Note: World regions with <5% share are combined into one group for each financial centre.

Source: SBA Banking Barometer 2021, BCG

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# 3

## Current challenges

# Credit Suisse takeover

## Regulatory discussions around the CS takeover by UBS



## Current challenges

### Priorities of the SBA 2022 – 1/2



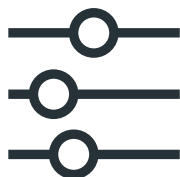
- **Sustainable Finance:** The Swiss financial centre intends to position itself as a world-leading location for sustainable finance. To this end, the SBA is committed to promoting market-driven frameworks and is currently focusing on embedding relevant **self-regulatory structures**.



- **Digital transformation:** The SBA supports an innovative, competitive and resilient financial centre that creates scope for technological advances and enables innovative business models. To achieve this, it requires robust **system of cyber defences**. The SBA is also committed to enhancing the financial centre's status as a location for the production and trading of **digital assets**. **Artificial intelligence** will play an increasingly important role.



- **Financial market regulation:** The SBA supports proportionate and competitive implementation of the international **Basel III final** standards and the revised deposit insurance scheme.



- **Regulation:** The SBA favours a robust **anti-money laundering** regime that takes international requirements into account. Looking ahead to the revision of the **Financial Market Infrastructure Act (FinMIA)**, the SBA advocates efficient and internationally recognised regulation.

## Current challenges

### Priorities of the SBA 2022 – 2/2



- **Taxation:** The SBA favours a tax regime that supports Switzerland’s attractiveness to business, and is committed to internationally competitive implementation of the **OECD taxation project** in the country.



- **Market access:** The SBA is committed to improving Swiss banks’ access to **core markets in Europe and beyond**, communicating the value added by open markets, and strengthening the financial centre’s reputation as an important export industry.



- **Financial market infrastructure:** The SBA supports a first-class operating environment for payment services and, along with relevant players, is focusing on the opportunities opened up by **digital money**.



- **Training:** The SBA fosters an environment conducive to **lifelong learning**, new forms of working, and the skills of the future.

# 4

## The example of Sustainable Finance

# Sustainability in banking operations versus banking activities

## The responsibility of each institution vs. the business model of the banks

### Banking operations

- As service providers, financial service providers pay attention to their operational sustainability. In doing so, they are no different from other companies and their activities in the area of Corporate Social Responsibility (CSR)

### Banking activities

- The three business areas of investments, loans and financing, and capital markets and issuance are the focus of **Sustainable Finance**, supported by specific risk assessment



Source: SBA, based on Osterwalder / Pigneur, 2010: «Business Model Generation»





# 5

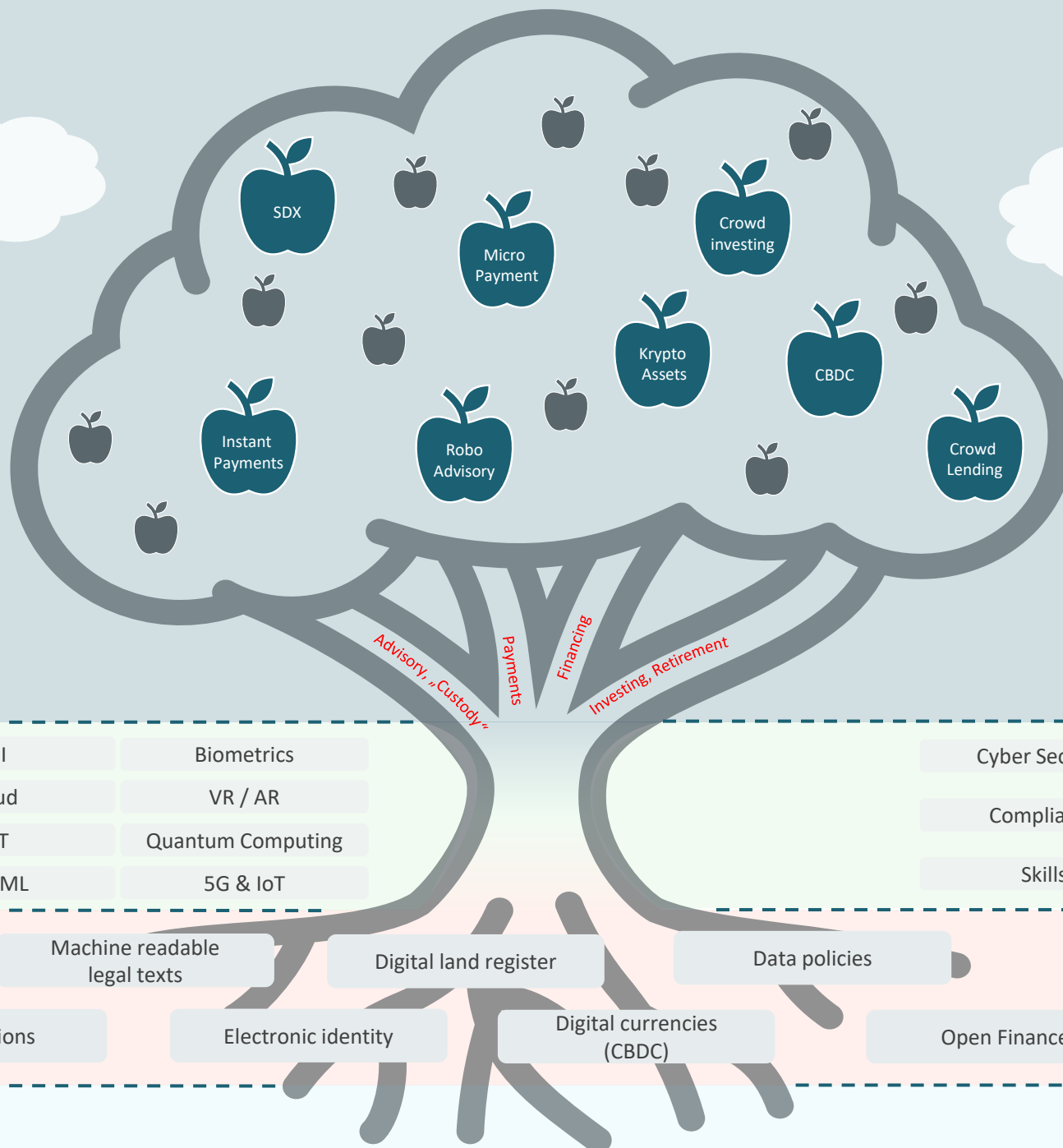
## The example of Digital Finance

Demographic change

Increasing cost pressures

New client needs

New competitors



Realised Business Activities

Enabling Technologies

API	Biometrics
Cloud	VR / AR
DLT	Quantum Computing
AI & ML	5G & IoT

Cyber Security
Compliance
Skills

Enabling Functions and Skills

Machine readable legal texts	Digital land register	Data policies	
Tax framework conditions	Electronic identity	Digital currencies (CBDC)	Open Finance

Enabling Policies

Enabling Data


# What does this mean in practice?

SwissBanking

Juni 2020, 2. Auflage

## Cloud-Leitfaden

Wegweiser für sicheres Cloud Banking



SwissBanking

Regulierung und Aufsicht

Rahmenbedingungen

Erarbeitung von Open Finance Grundlagen

API-Sicherheitsempfehlungen

- Sichere Kommunikation
- Backend-Sicherheit
- Kundenbezogene Sicherheit
- TPP-bezogene Sicherheit

API-Spezifikationen

- Zahlungsverkehr
- Hypotheken
- Vermögensverwaltung
- Weitere Geschäftsbereiche

SWISS FINTECH INNOVATIONS COMMON API

Input und Abstimmung

Internationale Stakeholder

Nationale Stakeholder\* und unabhängige Konsumentenvertreter

THE Berlin GROUP FIX TRADING COMMUNITY SWISS FINTECH blink OPEN BANKING PROJECT OPEN HEALTH


\*Vorentscheidende Aufstellung. Weitere Ansprechpartner sind hier.

SwissBanking

Juli 2020

## Open Banking

Eine Auslegeordnung für den Schweizer Finanzplatz



«Stimmen des Finanzplatzes»

Cybersicherheit in der Schweiz: ein Gesamtwerk vieler Akteure




Alexandra Arni  
Leiterin ICT SBVg



Florian Schütz  
Delegierter des Bundes für Cybersicherheit

Swiss Banking

## Umgang mit Daten im Geschäftsalltag

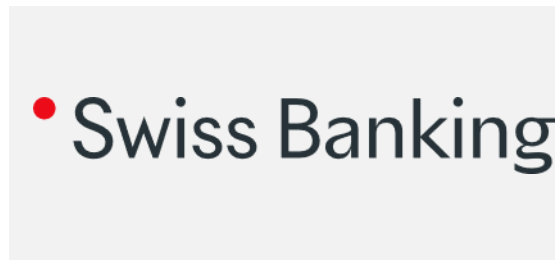


Mai 2021  
Leitfaden der SBVg

6

What role could SSPA play?

## SSPA and how it could support the Swiss financial market



Institutionalise the interactions between the two associations and others

Supporting the self-regulation of SBA and AMAS in Sustainable Finance

Supporting the promotion efforts of the Swiss financial market abroad

# Kontakt

**August Benz**

Deputy CEO, Head Private Banking &  
Asset Management

[august.benz@sba.ch](mailto:august.benz@sba.ch)

+41 58 330 6227

# • Swiss Banking

Schweizerische Bankiervereinigung  
Aeschenplatz 7 · Postfach 4182 · 4002 Basel

[swissbanking.ch](http://swissbanking.ch)