

Press release

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FINMA publishes its fully revised Anti-Money Laundering Ordinance

The Swiss Financial Market Supervisory Authority FINMA is putting the fully revised FINMA Anti-Money Laundering Ordinance into effect on 1 January 2016. The revision of this ordinance has taken both the revised Anti-Money Laundering Act and internationally adjusted standards into account, as well as insights gained from supervisory practice and recent market developments.

The Financial Action Task Force (FATF) recommendations, which were revised in 2012, represent internationally recognised standards on combating money laundering and the financing of terrorism. Due to enter into force on 1 January 2016, the Anti-Money Laundering Act (AMLA) was subsequently revised by the Swiss Parliament to implement the revised FATF recommendations. The FINMA Anti-Money Laundering Ordinance (AMLO-FINMA), which has also been adjusted, now takes account of the revised FATF recommendations and sets out the statutory regulations and provisions. It also includes insights gained from supervisory practice and recent market developments. It will come into force on 1 January 2016.

Full revision brings a number of innovations

Full revision of the FINMA Anti-Money Laundering Ordinance (AMLO-FINMA) has included a number of adjustments. In accordance with the revised AMLA, financial intermediaries must consistently determine the natural persons behind operationally active legal entities and partnerships for which the concept of “controller” has been put in place. Moreover, AMLO-FINMA now sets out the prerequisites under which relaxation of due diligence requirements is allowed for payment service providers offering cashless payment transactions and for institutions under the Collective Investment Schemes Act (fund management companies, investment companies and asset managers). In addition, changes in statutory reporting requirements have also been incorporated, for instance, despite reports to the Money Laundering Report Office (MROS), client instructions may be executed by financial intermediaries (assets are not frozen immediately).

Respondents' input also taken into account

Deeming the adjustments and innovations as generally reasonable and appropriate, respondents to the public consultation welcomed revision of the AMLO-FINMA. Their comments mainly concerned the

threshold for spot transactions in Switzerland, the definition of “controller”, details required for payment orders and provisions for new payment methods and virtual currencies. FINMA reviewed the comments and proposals received in depth and largely included them in the current version of the AMLO-FINMA.

Focus on new payment methods and virtual currencies

In light of the input received, the provisions for new payment methods were amended and now largely take account of the increasing digitalisation of payment transactions. Cashless payments of goods and services amounting to CHF 5,000 a month and/or CHF 25,000 a year to traders in Switzerland can be made without formal client identification. As regards virtual currencies however, FINMA did not make any concessions owing to heightened money laundering risks.

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