

Joint Statement – October 13, 2017

EU-Switzerland Financial Regulatory Dialogue held in Bern

The Swiss State Secretariat for International Financial Matters and the European Commission held their 2017 Financial Regulatory Dialogue on October 19 in Berne. The Dialogue was co-chaired by Jörg Gasser, State Secretary for International Financial Matters, and Olivier Guersent, European Commission's Director General for Financial Stability, Financial Services and Capital Markets Union. Participants included staff from the European Commission, European Supervisory Authorities, Single Resolution Board, the Swiss federal administration, the Swiss National Bank and the Swiss Financial Supervisory Authority FINMA.

The dialogue allowed for a mutual update and a general overview of regulatory developments on both sides as well as at international level. The delegations also explored ways to enhance cooperation and foster business activities in financial services between the EU and Switzerland, including in areas subject to third-country provisions in EU law. The participants also discussed the opportunities, challenges, and potential for further collaboration in the areas of innovation (Fintech) and sustainability (green finance).

The delegations exchanged views on the future of the international financial system, common interests in the work of international standard-setting bodies and the potential impact of Brexit. They informed each other about their progress in implementing the Basel III framework. They highlighted their support for the work of the Basel Committee on Banking Supervision to finalize the Basel III framework without significantly increasing overall capital requirements across the banking sector, while promoting a level playing field. The discussion also covered the Commission's proposal to introduce a new requirement under the Capital Requirements Directive for third country global systemically important institutions that control two or more institutions in the EU to establish an EU Intermediate Parent Undertaking.

Both sides welcomed the significant progress in the work at technical level on the update to the Agreement on direct non-life insurance and on the timely conclusion of the assessment of Switzerland's equivalence for the purposes of the trading obligation for shares (as per the Markets in Financial Instruments Regulation).

It is envisaged that the next round of the EU-Switzerland Financial Regulatory Dialogue will be held in 2018 in Brussels.