

## Press release

Friday, 10 June 2016

### **Private banking – an export industry like any other Relationships with and access to the EU as a central challenge**

The future of wealth management in Switzerland came under the spotlight at the first Private Banking Day. As a largely export-led business, private banking is reliant on the access to the European single market and the flexible recruitment of qualified specialists also from abroad and, in particular, the EU. Invites to the Private Banking Day in Geneva were issued jointly by the Association of Swiss Private Banks (ASPB) and the Association of Swiss Asset and Wealth Management Banks (VAV-ABG). The event was attended by renowned exponents from the worlds of private banking, science, politics and administration.

In his welcome address, Yves Mirabaud, Chairman of the ASPB, focused on the strong export character of the private banking industry and emphasised the importance of active access to the key EU market. He believes that there are a number of ways that Switzerland can achieve its strategic objectives: the implementation of Swiss law that is equivalent to legislation in other countries, bilateral agreements with the most important countries where our clients reside or possibly a financial services agreement.

Professor Otmar Issing, former chief economist and member of the Executive Board of the ECB, subsequently went on to provide his convincing views of the major difficulties facing the EU financial system within the context of both European and global developments. In this respect, he even warned of the possible collapse of the EU. Switzerland's chief negotiator in talks with the EU, State Secretary Jacques de Watteville, then outlined the Federal Council's strategy as regards its European policy. In doing so, he highlighted the specific challenges facing the Swiss financial centre, Switzerland as a business location and the country in general.

During the high level podium discussion, bankers Ariane de Rothschild and Grégoire Bordier, former Chair of FINMA Anne Héritier Lachat, member of the National Council Christian Lüscher, and State Secretary Jacques de Watteville debated the future of the Swiss financial centre within the context of the overall European situation. Swiss banks are also likely to be affected by significant upheaval within the EU, including a possible Brexit, the handling of the refugee crisis and the further development of the EU financial system. Against this background, the specific question of whether it is realistic that Swiss banks will be granted improved access to the EU in the foreseeable future was discussed. Unless progress is made on this issue, the only remaining option will be to strengthen branch offices abroad. This would, however, lead to the outsourcing of jobs as well as a loss in tax revenues for Switzerland. It was finally discussed how likely a solution with the EU actually is given the acceptance of the mass immigration initiative, and how banks can ensure that they can continue to draw on the most talented individuals worldwide.

Boris Collardi, President of the VAV-ABG, identified three action areas in his closing address. Firstly, contacts between financial market players and the Swiss authorities need to be intensified. Secondly, every effort must be made to support active dialogue between Switzerland and its European partners and the search for solutions in the interest of both parties. And last but not least, based on existing instruments of the federal government, a promotional platform should be launched to actively promote the benefits of the Swiss financial centre abroad.

**Queries:**

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