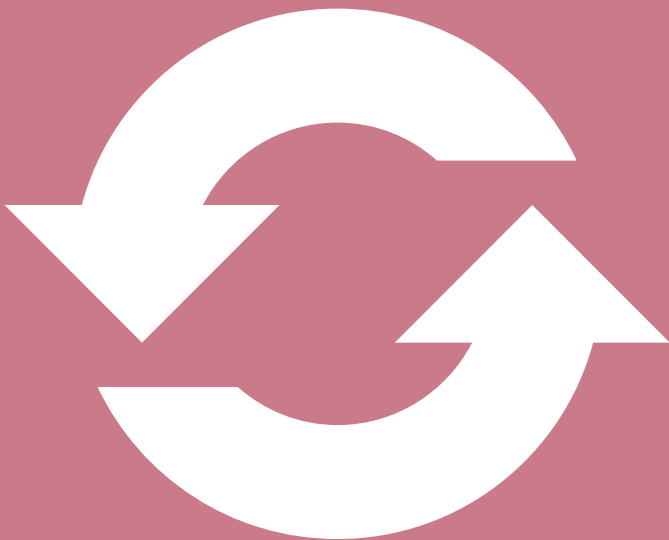


Update

October 2025



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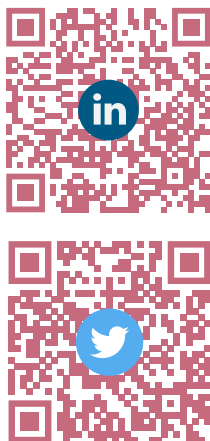
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LAW DEPARTMENT



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Capital Market Law

Draft Register of Beneficial Owners



Executive Summary

The bill provides for a federal register of beneficial owners and other targeted measures to combat money laundering and economic crime more effectively. The bill was divided into two drafts: Draft 1 covers a transparency register, while Draft 2 covers the partial revision of the Anti-Money Laundering Act. Both drafts were adopted in the final vote during autumn session. It is scheduled to come into force at the beginning of 2026. SwissHoldings supported the bill in principle and emphasized the importance of timely implementation before the FATF country review in 2027.



Contents

The [bill \(24.046\)](#) pursued two main objectives: first, to increase transparency of legal entities in order to enable authorities to identify beneficial owners more efficiently. To this end, a federal register of beneficial owners is to be introduced (Draft 1). Second, certain activities in advisory services will in future be subject to the Anti-Money Laundering Act (AMLA) with corresponding due-diligence obligations (Draft 2) to improve the effectiveness of the fight against money laundering. The measures proposed in the adopted package are intended to take into account the international standards of the Financial Action Task Force and the Global Forum on Transparency and Exchange of Information for Tax Purposes.



State

In the final vote on 26 September 2025, the National Council and the Council of States approved the bill, which had been adjusted compared with the Federal Council dispatch of 22 May 2024 on strengthening anti-money-laundering measures (see [press release](#)).

Draft 1 – Transparency Register: Both chambers approved the proposal. The last outstanding difference concerning the presumption of accuracy was resolved on 11 September. In the conciliation process, the Legal Affairs Committee of the Council of States (LAC-S) proposed the following compromise on 14 August 2025: while the National Council and the Federal Council consider the entries in the register to be declaratory, the LAC-S requested a special rule for the use of the register by advisers and by financial intermediaries to ensure they can rely on the entries. Both chambers accepted the compromise.

Draft 2 – Partial revision of the Anti-Money Laundering Act: For the final outstanding difference in Draft 2, the National Council followed the Council of States and supported raising the value threshold for checks

in real-estate transactions. Both chambers approved the package in the final vote.



Outlook

The transparency register and the amendments to the Anti-Money Laundering Act are expected to enter into force in early 2026.



Position

SwissHoldings generally supports the package and welcomes the fact that Parliament completed the final vote in good time ahead of the upcoming FATF country evaluation in 2027 so as not to weaken Switzerland as a business location. However, the association's argument that listed companies and their subsidiaries should receive a full exemption did not prevail — even though registration in the transparency register is redundant in light of the already robust reporting and disclosure obligations for shareholders and beneficial owners, which apply at a threshold of 3 percent of the share capital or voting rights. In addition, the accounting standards and reporting obligations applicable to listed companies at SIX Swiss Exchange require disclosure of subsidiaries, which already enhances transparency. This results in avoidable duplication.

Revision of the Financial Market Infrastructure Act (FinMIA)



Executive Summary

The Financial Market Infrastructure Act (FinMIA) is undergoing a periodic and comprehensive review. A report by the Federal Department of Finance (FDF) concludes that the act has largely proven effective so far but that transparency and legal certainty should be further strengthened in certain regulatory areas. A public consultation on the revision was conducted in 2024, and the Federal Council dispatch is expected in early 2026. SwissHoldings generally welcomes improvements in derivatives regulation but firmly rejects any weakening of self-regulation.



Contents

FinMIA governs the authorisation and duties of financial market infrastructures and the conduct obligations of market participants in securities and derivatives trading. Even before the act entered into force in January 2016, the Federal Council announced that the Federal Department of Finance (FDF) would conduct a general review and prepare a report. In this [report](#), the FDF concludes that FinMIA has largely proven its worth since entry into force; however, transparency and legal certainty should be further strengthened in certain regulatory areas.



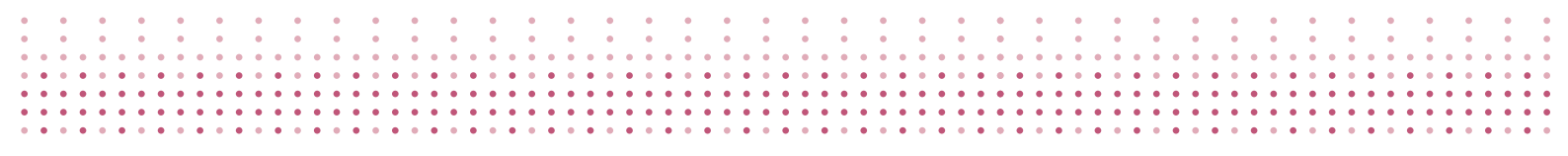
State

A consultation was held from June to October 2024. SwissHoldings submitted its [response](#) on 4 October 2024. The FDF is evaluating the consultation responses but has postponed the dossier. In addition, the Federal Council decided to bring into force, as of 1 January 2028, the reporting obligation for small non-financial counterparties regarding derivatives transactions.



Outlook

According to the FDF, the Federal Council dispatch on the FinMIA revision is to be published in mid-2026.





Position

The proposed adjustments to derivatives regulation are, in principle, an improvement and are therefore welcome. However, SwissHoldings clearly rejects transferring issuer obligations — such as ad hoc disclosure of significant shareholdings or the reporting and publication of management transactions — from self-regulation to state regulation under FINMA supervision. Self-regulation has proven its worth and should not be abandoned without necessity; it should be maintained as a locational advantage. SwissHoldings has positioned itself accordingly.

Competition Law & Policy

Amendment of the Cartel Act: Partial Revision



Executive Summary

The partial revision of the Cartel Act (23.047) aims to modernize Swiss merger control. There is currently still a difference of opinion regarding the examination of the individual cases in cases of competition agreements (Art. 5 KG). The EATC-S will continue the dispute resolution procedure on October 23/24, 2025. SwissHoldings supports the position of the National Council on this point.



Contents

The [partial revision of the Cartel Act \(23.047\)](#) provides for a switch from the qualified dominance test to the Significant Impediment to Effective Competition test (SIEC test), thereby aiming to align the Competition Commission (COMCO) with international standards. Another component is the strengthening of private antitrust enforcement, including an expansion of standing. In addition, the opposition procedure is to be made more practical by eliminating direct sanction risk where no investigation is opened within the shortened period. Key points of debate concern agreements affecting competition (Art. 5 CA) and conduct by dominant undertakings (Art. 7 CA). The preliminary draft included an implementation proposal for [Motion 18.4282 Français](#) (adopted June 2021), which considers qualitative and quantitative criteria. Finally, rules on the principle of investigation, the presumption of innocence, and the burden of proof are included to implement [Motion 21.4189 Wicki](#).



State

The proposal is currently in the conciliation process. As part of this, during the autumn session, both chambers approved the case-by-case assessment for the conduct of dominant or powerful undertakings (Art. 7 CA) and resolved that difference. However, the Council of States has not yet followed the National Council on the remaining difference concerning the case-by-case assessment of agreements affecting competition (Art. 5 CA).



Outlook

The EATC-S will continue the conciliation process on 23/24 October 2025.



Position

SwissHoldings expects Motions Français and Wicki to be implemented. Both require authorities and courts to (again) engage with the actual effects of an agreement or conduct and to demonstrate harm to

competition. We view an attempt to codify the GABA case law directly in the Cartel Act as contrary to these motions. By contrast, the National Council's compromise meets these expectations.

Amendment of the Cartel Act: Institutional reform



Executive Summary

In parallel with the revision of the Cartel Act, the Federal Council is pushing ahead with the institutional reform of the competition authority. This is intended to resolve problems in administrative proceedings, in particular the separation of the decision-making and investigative authorities. The consultation ended on October 6, 2025. SwissHoldings submitted its comments on October 1, 2025. SECO is evaluating the feedback and will present an overview in the first half of 2026. SwissHoldings supports the reform and calls for a clear separation of the investigative and decision-making authorities.



Contents

In parallel with the ongoing substantive partial revision of the Cartel Act, the Federal Council is pursuing a separate [reform of the competition authorities](#) (hereinafter: institutional reform). The objective is to address issues in administrative proceedings, in particular a separation between the decision-making body and the investigative authority. The published [final report of the expert commission](#) chaired by former Federal Judge Hansjörg Seiler concluded that COMCO functions well overall and shows no rule-of-law deficiencies; a system change is therefore not indicated. The separation between investigative and decision-making bodies is now to be strengthened, inter alia by having the Secretariat conduct investigations without involving COMCO. In its consultation draft of 13 June 2025, the Federal Council followed the commission's recommendations as a first step. The separation is to be made more effective through: reducing and focusing the commission; eliminating the commission's (or individual members') involvement in investigations; and statutory clarification of the Secretariat's role in COMCO's deliberations.

Side note: Despite the work already initiated and published on 13 June 2025, the Council of States adopted Motion [22.4404](#) Rechsteiner ("Speed up proceedings. Increase legal certainty") on 17 March 2025, signalling in particular the will to address both the institutional separation between investigating and deciding authorities and the duration of proceedings. The National Council had already adopted the motion in the previous year's spring session. Subsequently, on 4 June 2025, the National Council also approved Motion [23.3224](#) Français ("Institutional reform of the competition authority"). The Federal Council must now present implementation proposals for both motions.



State

The Federal Council opened the consultation on the proposal to reform the competition authority on 13 June 2025; it ended on 6 October 2025. SwissHoldings submitted its response to the draft (see [consultation response](#)) on 1 October 2025.





Outlook

SECO will review the submissions and is expected to provide an overview of the feedback in the first quarter of 2026.



Position

SwissHoldings welcomes the long-requested institutional reform in parallel with the substantive Cartel Act work and supports a critical, in-depth review. SwissHoldings advocates a clear separation between the investigative authority and the decision-making body. To strengthen COMCO and to clarify the separation between the commission and the Secretariat as the investigative authority, we view as a minimum requirement the introduction of commission clerks within COMCO. SwissHoldings continues to support [Motion 23.3224 Français](#) and welcomes the clear signal from both the Council of States and the National Council in approving and forwarding the motion to the Federal Council on 4 June 2025.

Motion Rüeegsegger “Introduce Sector Inquiries. Resolve Structural Competition Problems.”



Executive Summary

Motion 24.4590 Rüeegsegger seeks to introduce the instrument of sector inquiries as a complement to the Cartel Act. This would allow COMCO to analyse markets preventively for structural competition issues even without concrete suspicion. On 19 February 2025, the Federal Council recommended rejecting the motion. SwissHoldings also rejects the motion, considering COMCO’s existing instruments sufficient and an expansion of its powers unnecessary.



Contents

Introducing sector inquiries under Motion [24.4590](#) would allow COMCO to analyse markets preventively for structural competition problems even without sufficient suspicion. Such an instrument could help remove structural barriers such as market-entry obstacles, information asymmetries, or distortions of competition. The proposal argues that adding sector inquiries to the Cartel Act would strengthen the competition authorities, promote market transparency, improve the functioning of competition in the long term, and equip COMCO with the same tools as EU authorities. The Federal Council believes that this instrument and its possible design must be fundamentally evaluated and subjected to a solid cost–benefit analysis before any introduction. In fulfilling the adopted postulate [23.3444](#) EATC-N (“Merger of UBS and CS. Assessment of the competition-law and macroeconomic significance”), the Federal Council is currently examining the pros and cons of sector inquiries.



State

The motion was submitted on 20 December 2024. On 19 February 2025, the Federal Council requested its rejection.



Outlook

The Federal Council recommends awaiting the results of the report on Postulate 23.3444 before deciding how to proceed on Motion 24.4590. The postulate report is expected by the end of 2025.



Position

SwissHoldings opposes Motion Rüeegsegger because COMCO already has sufficient tools, such as market monitoring, expert opinions, and

recommendations. The authority should apply existing instruments accordingly.

Parliamentary Initiative Roduit “Non-compliance with mandatory working conditions constitutes qualified unfair competition and must be prosecuted.”



Executive Summary

The parliamentary initiative requests that intentional violations of mandatory working conditions also be prosecuted under the Unfair Competition Act (UCA). In April 2025, the LAC-N opened a public consultation, which closed on 20 August. The committee will now prepare a draft. SwissHoldings is committed to compliance with mandatory working conditions but rejects the Roduit initiative, as existing protective provisions are considered sufficient.



Contents

Under the Federal Act against Unfair Competition (UCA), violations of mandatory working conditions already constitute unfair competition and can be sanctioned. [Parliamentary initiative 21.470](#) requests that intentional violations of mandatory working conditions also be prosecuted criminally under the UCA.



State

The initiative was submitted on 17 June 2021. The Legal Affairs Committee of the National Council (LAC-N) opened the consultation on 30 April 2025. SwissHoldings submitted its [response on 19 August 2025](#).



Outlook

The consultation ended on 20 August 2025; the responses will now be evaluated and an initial draft prepared.



Position

SwissHoldings supports compliance with mandatory working conditions and agrees that non-compliance should continue to constitute a violation of unfair competition rules. However, we oppose the Roduit parliamentary initiative because numerous existing employee-protection provisions already contain criminal provisions. Adding criminal liability under the UCA would hardly reduce the risk of conflicts of norms, would not resolve jurisdictional questions, and would result in double criminal liability. Existing instruments should be applied; no additional provisions should be added.

Parliamentary Initiative Burkart “More flexibility for working from home.”



Executive Summary

The parliamentary initiative ‘Burkart’ aims to adapt the legal framework for home office and flexible working arrangements to the digital world of work. On September 23, 2025, the National Council entered into the bill and decided on a right to be unreachable, a working time window of 17 hours, a rest period of 9 hours, and up to 9 Sundays of telework per year. The matter will be discussed by the EATC-S on October 23/24, 2025. SwissHoldings supports the bill as a step towards greater flexibility in labor law.



Contents

Proposal [16.484](#) reflects the opportunities created by the digitalisation of work. It better addresses the needs of employees who work from



home and — while observing workplace health-protection requirements — improves the balance between work, family, and leisure.



State

The EATC-N agreed to the parliamentary initiative on 29 January 2018; the EATC-S concurred. On 18 February 2025, the EATC-N adopted the draft for the attention of the Federal Council. The Federal Council welcomes the EATC-N draft introducing new articles on telework in the ArG. On 23 September 2025, the National Council decided, *inter alia*, on a general right to disconnect, a 17-hour working-time window, a 9-hour rest period, and up to 9 Sundays of telework per year.



Outlook

The dossier now goes to the Council of States. The proposal will be discussed in the EATC-S on 23/24 October 2025.



Position

This parliamentary initiative is an important step in the right direction. Employers — and the broader economy — need flexible working conditions that better reflect employees' personal needs and possibilities. SwissHoldings supports the proposal.

Motion Gössi "Better protection of intellectual property from AI misuse."



Executive Summary

The motion calls for an opt-in mechanism whereby copyright-protected content may only be used for training AI systems with the express consent of the rights holders. The National Council approved a more openly worded version in its 2025 autumn session. On October 7, 2025, the SECC-S also voted in favor of this version, which means that the matter will now go to the Council of States. SwissHoldings warns against Switzerland choosing an opt-in system, as this could hinder research and development and weaken international connectivity.



Contents

[Motion 24.4596](#) focuses on the copyright treatment of AI training data. It calls for an opt-in mechanism under which the use of copyrighted content for AI systems is permitted only with the prior explicit consent of rights-holders.



State

The Council of States adopted the motion on 20 March 2025. On 5 September 2025, the Science, Education and Culture Committee of the National Council (SECC-N) recommended an amended, open-ended version. The National Council adopted this on 16 September 2025. On 7 October 2025, the Science, Education and Culture Committee of the Council of States (SECC-S) likewise supported the open-ended version and proposed adoption of the amended text.



Outlook

The dossier therefore returns to the Council of States.



Position

An opt-in mechanism would run counter to the approach of many other countries, which increasingly orient towards an opt-out model allowing rights-holders to prohibit use of their content by AI systems. Such a Swiss solo effort would, in our view, create regulatory uncertainty, could hinder research and development — particularly for start-ups and

universities — and weaken international interoperability. The fundamentals should first be clarified to develop a workable solution for all stakeholders. From our perspective, copyright-protection needs could potentially be strengthened by other tools, such as a form of collective rights management.



TAX DEPARTMENT



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National Tax Law

Extension of Loss Carry-Forwards



Executive Summary

The federal law on extending loss carry-forwards extends the period for loss carry-forwards from seven to ten years. The regulation is to apply retroactively from the 2020 tax year. The aim is to strengthen economic resilience and give companies more flexibility after crises. The National Council has approved the bill. The matter is on the agenda for the EATC-S meeting in November. SwissHoldings expressly supports the extension. In view of increasing uncertainties, a seven-year carryforward period is no longer appropriate.



Contents

The Federal Act on the Extension of Loss Carryforwards ([24.091](#)) implements Motion [21.3001](#) of the EATC-N, “Extend the possibility of loss carryforwards to ten years.” Its aim is to allow companies and self-employed individuals that incurred losses during the COVID-19 pandemic to claim these for tax purposes over a period of ten instead of seven years. The extension will apply retroactively from the 2020 tax year and must enter into force no later than 1 January 2028. The measure is intended to strengthen economic resilience.



State

In the 2025 summer session, the National Council, as the first chamber, clearly approved the extension (127 to 64 votes). From a centre-right perspective, it was emphasized that the ability to carry forward losses is a key instrument for strengthening competitiveness in economically uncertain times.



Outlook

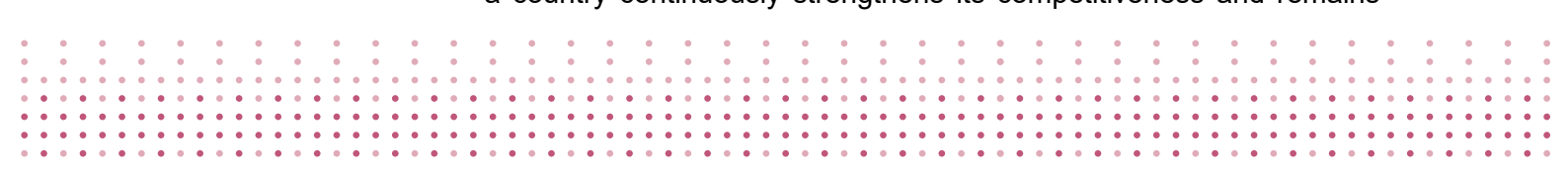
The dossier is scheduled for discussion in the EATC-S meeting on 13 November 2025.



Position

SwissHoldings supports the planned extension of the loss carryforward period. In recent years, solid companies have increasingly faced exceptional economic challenges such as tariffs, pandemics, sanctions, or wars. In addition, recessions in key markets (e.g., China) and rapid technological change (e.g., AI) have further intensified these pressures. All these factors can cause even strong companies to experience losses more frequently and more deeply. Against this backdrop, Switzerland’s current seven-year loss carryforward period is no longer adequate. Internationally, many countries already allow loss carryforwards for more than ten years.

An attractive business location should enable companies to offset losses from two to three exceptional events within a ten-year period. If a country continuously strengthens its competitiveness and remains



among the world's leading business locations, tax revenues are likely to increase. Extending the loss carryforward period will make a small but meaningful contribution to ensuring this remains the case for Switzerland.

Improving investment conditions for companies



Executive Summary

Motions 25.4192 and 25.4264 call on the Federal Council to examine measures to strengthen investment activity and competitiveness in Switzerland. In particular, excess depreciation and tax credits for large investments should be considered in order to reduce investment costs. The motions are likely to be on the agenda for the winter session. SwissHoldings expressly supports these approaches. The proposed measures specifically promote investment in research, development, and high-quality production activities without creating inefficient subsidies. Both instruments strengthen Switzerland's attractiveness as a business location and secure long-term jobs and tax revenues in Switzerland.



Contents

Motions [25.4192](#) and [25.4264](#) instruct the Federal Council to take measures to strengthen corporate investment activity in Switzerland and thereby enhance overall economic dynamism. In particular, the Federal Council is to examine accelerated depreciation and tax credits for large-scale investments to specifically reduce investment costs in Switzerland. Such a package could help secure attractive jobs in research and development, headquarters functions, and production by internationally active companies over the long term, while also easing the burden on SMEs.



State

The motion was submitted in September 2025 and has not yet been debated in the chambers.



Outlook

It is expected that, due to their dual submission, the motions will be debated in both chambers during the winter session.



Position

Switzerland's attractiveness as a business location is currently under considerable pressure. SwissHoldings explicitly welcomes efforts to improve it and supports the consideration of new instruments. One such instrument is accelerated depreciation, which serves to promote large-scale investments — for example, to create jobs in research and development or in high-quality production activities. The latter, in particular, are currently under pressure due to U.S. tariffs. Compared with subsidies, which many other countries apply excessively, accelerated depreciation has the advantage of benefiting only successful companies. While it has no effect on loss-making firms, profitable companies benefit from a reduction in their corporate tax burden. From a business perspective, accelerated depreciation lowers the cost of major investments. It can be introduced at the federal or cantonal level, with cantons being granted optional flexibility to use it, for instance, to temporarily strengthen regional industrial clusters.



Tax credits for large investments are another instrument currently being examined by the OECD within the framework of the minimum taxation rules — specifically for companies with revenues exceeding EUR 750 million (so-called *substance-based non-refundable tax credits*). Such tax credits could serve as an interesting tool to mitigate the disadvantages of OECD minimum taxation for Switzerland. In addition to large corporations, medium-sized companies could also benefit from this measure. As with accelerated depreciation, only economically successful firms that generate profits and pay corporate taxes would benefit. The key is that this instrument must be implemented in full compliance with OECD requirements.

Strengthening Switzerland as a location for production and research



Executive Summary

Two new motions (25.4191 and 25.4265) call on the Federal Council to examine new incentives to strengthen research, development, and production in Switzerland. In particular, additional tax deductions for production costs and new tax credits for research and development activities should be considered. The motions are expected to be on the agenda for the winter session. SwissHoldings expressly welcomes this. In order for Switzerland to maintain and further expand its prosperity, decisions must now be made on how Switzerland should reposition itself and which instruments will lead it to a successful future. In doing so, particular focus should be placed on new approaches.



Contents

Motions [25.4191](#) and [25.4265](#) instruct the Federal Council to take measures encouraging companies to conduct more research, development, and production in Switzerland and to market their products and services globally. In particular, additional tax deductions for production costs and new tax credits for research and development activities should be considered.

In its assessment, the Federal Council should take into account the changing international tax and location competition since the introduction of the OECD minimum tax. Special attention should be given to new instruments already applied internationally, notably Qualified Refundable Tax Credits, which have proven to be a forward-looking tool and are successfully used in countries such as Singapore. The federal government should specifically examine how such instruments could be widely implemented in Switzerland and how the cantons could use them to strengthen their regional economies.



State

The motion was submitted in September 2025 and has not yet been debated in the chambers.



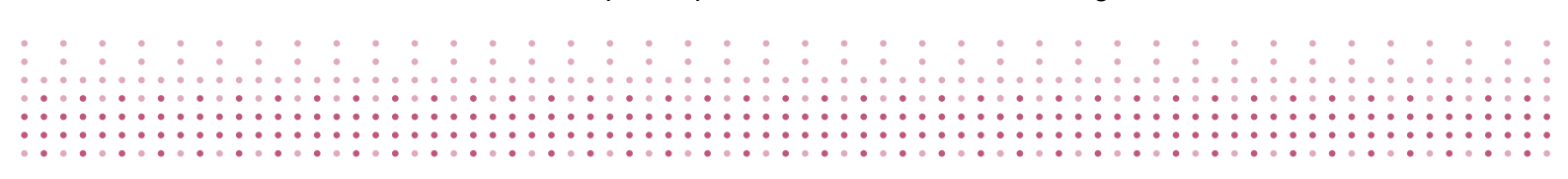
Outlook

It is expected that, due to their dual submission, the motions will be debated in both chambers during the winter session.



Position

Switzerland's economy has come under significant pressure since the return of power politics on the international stage. The United States



has imposed a 39% tariff on many Swiss imports, along with threats of tariffs on Swiss pharmaceutical products. The EU also plans to impose tariffs on steel and aluminium, which would further impact the Swiss economy. At the same time, the OECD minimum tax and the resulting unequal international competitive conditions — with both the U.S. and countries such as China and India seeking exemptions — are negatively affecting Switzerland's attractiveness as a business location.

To maintain and further strengthen its prosperity, Switzerland must now decide how to reposition itself and which instruments will ensure a successful future. The two motions address precisely this need and would clearly enhance Switzerland's competitiveness as a business location. SwissHoldings therefore explicitly welcomes them.

Qualified Refundable Tax Credits are internationally recognized instruments permitted under the OECD minimum tax framework. Several countries already use them successfully — most notably Singapore, which leverages them to attract and promote high value-added activities. The cantons are in principle free to apply this measure, though it is currently underused and should be actively promoted. Furthermore, the federal government should explore ways to encourage production activities in Switzerland. One possible measure would be allowing cantons to grant tax deductions for production costs, similar to existing deductions for research and development expenditures — a proposal that should be thoroughly examined.

International Tax Law

OECD/G20 Project on the Taxation of the Digitalized Economy



Executive Summary

The OECD/G20 project on taxation of the digital economy comprises profit redistribution (Pillar 1) and the introduction of a global minimum tax of 15% for large corporations (Pillar 2). While Pillar 1 is blocked, Pillar 2 has already been implemented by various countries. However, the US under President Trump is now likely to succeed in implementing a special solution with the side-by-side system, which largely exempts US corporations from IIR and UTPR. The side-by-side system is to be adopted by the end of 2025, which will give the US a clear competitive advantage. The OECD is currently working on Administrative Guidance to implement this. However, negotiations are stalling: emerging economies fear disadvantages and companies criticize the excessive complexity. Due to these developments, Switzerland needs to find other ways to increase the attractiveness of the location.



Contents

The OECD project on the taxation of the digitalized economy aims to enhance the acceptance of international corporate taxation. The project is being advanced under the “OECD/G20 Inclusive Framework on BEPS” (hereinafter IF), which currently includes 147 countries. It consists of two pillars. Pillar 1 focuses on a greater redistribution of profits from the approximately 200 most successful multinational groups from their headquarters to the market jurisdictions. Pillar 2 provides for the

introduction of a minimum corporate tax rate of 15 percent for all groups with revenues of at least EUR 750 million.

State

The implementation of Pillar 1 has so far not progressed beyond work at the OECD level. Pillar 2, however, is much further advanced — the EU member states and Switzerland, among others, have fully or partially implemented the global minimum tax. According to the OECD, 61 countries have implemented one or more elements of the minimum tax. At the same time, the project has long faced major challenges: most members of the Inclusive Framework (IF) have still not implemented any minimum tax elements, including major economies such as the United States, China, and India.

In January 2025, U.S. President Trump announced that the United States would withdraw from both pillars of the OECD digital taxation project. Regarding the OECD minimum tax, the U.S. demands that its own tax system be recognized as equivalent and allowed to coexist with it — a model now referred to as the “Side-by-Side System.” To ensure that minimum-tax jurisdictions accept the U.S. demand, the U.S. Congress included in its so-called *One Big Beautiful Bill* (BB-Bill) a provision (IRC Section 899) imposing extremely severe sanctions. At the end of June, the G7 countries reached an agreement (see G7 Statement) to implement the Side-by-Side System (SbS System). In return, the United States agreed to remove Section 899 from the BB-Bill. The G7 statement specifies that:

- U.S. parent companies will be fully exempt from both the UTPR and IIR (but not from foreign QDMTTs) with respect to their domestic and foreign profits.
- Work on the SbS System will be conducted in parallel with major administrative simplifications to the OECD minimum tax.
- Adjustments to the treatment of substance-based, non-refundable tax deductions under the OECD minimum tax will be considered.

Since then, the Inclusive Framework has been working intensively to implement the G7 statement. By the end of 2025, a package consisting of three new Administrative Guidances is to be finalized and formally adopted. The first guidance will define the technical details of the SbS System (*Coordinating Safe Harbor*). The second will include a calculation model enabling companies to demonstrate compliance with the minimum tax threshold in a jurisdiction more easily (*Simplified ETR Safe Harbor*, replacing the *CbCR Safe Harbor*). The third will allow minimum tax jurisdictions to grant new tax deductions or credits to companies meeting strict substance requirements (e.g., R&D, manufacturing, or other operational expenditures).

However, this work has recently stalled. On the one hand, major emerging economies such as China and India fear significant competitive disadvantages vis-à-vis the United States under the SbS System. Resistance has also emerged regarding new tax deductions and

credits, as countries are pushing for broader measures. On the other hand, companies argue that the proposed Simplified ETR Safe Harbor is far too complex and fails to deliver meaningful simplification.



Outlook

The year 2025 is likely to bring significant changes to the OECD minimum taxation framework. By the end of the year, the 147 IF member states are expected to unanimously approve the SbS System, thereby formally endorsing an exemption for the United States from the OECD minimum tax. Given that the U.S. under President Trump has clearly demonstrated its willingness to impose severe sanctions on other countries, it is unlikely that any IF member state will block this exemption.

As a result of both the exemption and the tax advantages for U.S. companies under the BB-Bill, many European business representatives expect that the United States will gain a competitive edge over jurisdictions applying the OECD minimum tax. Whether the IF will succeed in offsetting this U.S. advantage through an effective new substance-based deduction or a genuinely simplified ETR Safe Harbor remains doubtful — and may not even be the goal of key OECD member states. Consequently, Switzerland and other economically successful small countries must expect to face a disadvantage in future global tax competition.

If the IF fails to offset the U.S. advantage and provide sufficient incentives for the introduction of a QDMTT, it will be difficult to persuade countries such as China, India, and others to adopt the minimum tax, or to convince states like Singapore to maintain it. The OECD minimum tax could thus become even more of a predominantly European project. It appears politically unlikely that European countries will abandon it, as doing so would require a unanimous decision to repeal the EU Minimum Tax Directive. Moreover, European states are expected to resist allowing countries like Switzerland to withdraw from what they view as a financially and economically burdensome regime without facing major consequences.



Position

The OECD minimum tax is a project driven by economically powerful high-tax countries, targeting successful smaller nations with low corporate tax rates. The goal is to reduce the tax attractiveness and economic independence of such countries. Switzerland, alongside Singapore, Ireland, and a few others, is particularly in focus. The intention is for multinational companies to pay a larger share of their taxes in high-tax jurisdictions. It appears unlikely that the OECD minimum tax will fail due to the U.S. withdrawal, as both the United States — which remains actively involved in shaping the framework — and most European countries have a strong interest in maintaining it and encouraging as many states as possible to adopt a Qualified Domestic Minimum Top-up Tax (QDMTT).

For Switzerland, the OECD minimum tax represents a competitive disadvantage. Nevertheless, under the current circumstances, withdrawing from the system would not be a viable option. To preserve its

economic success and the substantial tax revenues generated by international companies, Switzerland must explore new ways to attract and retain high value-added functions. Key areas include efficiency, digitalization, international connectivity, and a service-oriented, business-friendly administration. A successful canton's policy toolbox should also include internationally permissible financial incentives. In particular, the *Qualified Refundable Tax Credits (QRTCs)* explicitly allowed under the OECD minimum tax rules — and already used effectively by competitor countries — can help strengthen R&D, innovation, and other high value-added activities. Switzerland's goal should be to remain among the world's top three most attractive locations for high value-added functions, even under the minimum tax regime.



ECONOMICS DEPARTMENT



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Trade and Investment Policy

Bilateral Relations between Switzerland and the EU



Executive Summary

The “Bilateral Agreements III” package aims to stabilize and further develop relations between Switzerland and the EU. In June 2025, the Federal Council opened the public consultation on the proposed package, which will run until the end of October 2025, followed by the Federal Council dispatch to Parliament in early 2026. SwissHoldings supports the Federal Council’s efforts to ensure sustainable access to the EU internal market but emphasizes the need to preserve Switzerland’s economic policy sovereignty and to carefully assess integration-related implications.



Contents

With the “Bilateral Agreements III” package, relations between Switzerland and the EU are to be stabilized and further developed. The package includes the updating of existing agreements (e.g. Free Movement of Persons, Air Transport, MRA) as well as new agreements on electricity, food safety, and health. At the same time, the new agreements also address the institutional framework demanded by the EU. A package approach has been chosen: instead of regulating the institutional questions comprehensively in a single horizontal agreement, these are to be resolved individually – i.e. on a sector-specific basis – in each agreement.



State

On 13 June 2025, the Federal Council opened the consultation on the negotiated package. According to the Federal Council’s assessment, the package meets the objectives of the negotiation mandate. It includes an institutional framework for existing and future internal market agreements, new agreements in the areas of electricity, food safety, and health, as well as participation in EU education and innovation programmes. This marks an important milestone in Switzerland’s relations with the EU.



Outlook

The consultation runs until 31 October 2025. The Federal Council intends to complete it by the end of 2025 and to submit the dispatch to Parliament at the beginning of 2026.



Position

SwissHoldings welcomes the Federal Council’s efforts to place relations with the EU on a stable and long-term footing through a new package of agreements (“Bilateral III”). Stable, reliable, and non-discriminatory relations with the EU – Switzerland’s most important trading partner – are of central importance. The bilateral agreements are a proven instrument for safeguarding market access and strengthening Switzerland’s international competitiveness. However, the new package also



entails significant institutional changes – in particular regarding the dynamic adoption of EU law and the involvement of the CJEU in dispute settlement. These offer companies greater legal certainty and predictability but simultaneously raise integration and economic policy questions. It must therefore be carefully examined how much regulatory autonomy Switzerland will retain and to what extent its economic policy sovereignty will be preserved. The goal must be non-discriminatory market access and a reliable legal framework for internationally active companies. SwissHoldings will participate actively in the consultation to ensure that the package strengthens Switzerland's competitiveness and contributes to prosperity, while the integration aspects such as dynamic law adoption and the role of the CJEU are carefully assessed for their impact on Switzerland's economic policy flexibility.

Free Trade Agreement



Executive Summary

Free trade agreements (FTAs) are a key instrument for export-oriented Switzerland to diversify its trade relations. The network of these agreements is constantly being developed. Particularly noteworthy are the recently concluded comprehensive EFTA-India Agreement, which entered into force on October 1, 2025, and the EFTA-MERCOSUR Agreement, which was signed on September 16, 2025. SwissHoldings supports the consistent expansion and modernization of this network of agreements.



Contents

The highly export-oriented Swiss economy relies, in addition to its trade relations with the EU, on a broad network of free trade agreements. Switzerland currently has 33 free trade agreements with 43 partners, and new agreements are continually being negotiated, signed, and brought into force.



State

Switzerland continues to pursue an active free-trade policy, steadily expanding its network of international economic agreements. Two recent milestones stand out: the comprehensive EFTA-India Agreement (TEPA), which entered into force on 1 October 2025, and the EFTA-MERCOSUR Agreement, signed on 16 September 2025. Both significantly expand market access for Swiss companies, strengthen investment protection, and create new opportunities in trade in goods and services. In addition, the Swiss government continues intensive discussions with Washington to resolve the ongoing customs dispute.



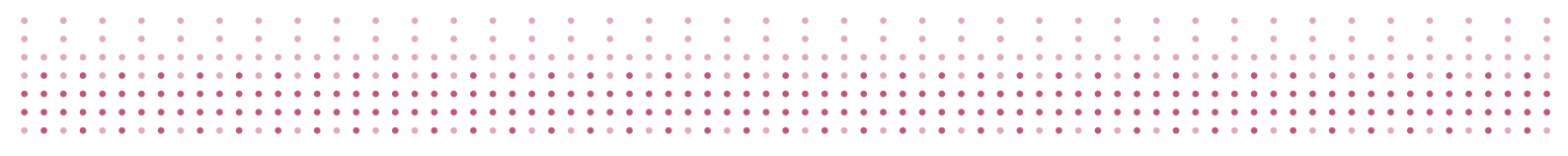
Outlook

Switzerland is maintaining its strategy of diversifying trade relations. Negotiations are currently underway with Vietnam, and at the same time, modernizations of existing agreements with Chile (see Status), as well as with Mexico and the Southern African Customs Union, are planned. Furthermore, a modernization of the free trade agreement with China is being pursued.



Position

In view of growing global trade conflicts and increasing protectionism, expanding the network of free trade agreements is essential for



Switzerland's export-oriented economy. These agreements not only provide tariff advantages but also legal certainty for companies. The diversification of trade relations strengthens the resilience of the Swiss economy and secures jobs. SwissHoldings therefore supports the continuous expansion and modernization of free trade agreements.

Investment Controls



Executive Summary

The discussion on introducing investment controls in Switzerland is at a crucial stage. After the National Council called for comprehensive regulations in September 2024, the Council of States successfully struck down this expansion in the fall session of 2025. The National Council's EATC discussed the bill at its meeting on October 13–14 and decided to largely follow the position of the Council of States. The bill will be discussed again in the National Council during the winter session. The Federal Council considers the existing legal framework to be sufficient. SwissHoldings supports this position. However, the question of whether Switzerland should introduce investment screening cannot be assessed in isolation from international developments.



Contents

The [introduction of an investment screening mechanism \(23.086\)](#) is intended to allow the prevention of takeovers of domestic companies by foreign investors if such acquisitions pose a threat to Switzerland's public order or security. The proposal is particularly aimed at state-controlled investors. Parliamentary deliberations on the introduction of investment controls in Switzerland are currently at a decisive stage. After the National Council entered into the discussion in September 2024 and called for a comprehensive framework, the Council of States successfully reversed this significant expansion during the 2025 autumn session. It adopted the proposal by 27 votes to 11, with 3 abstentions. The majority of the Council of States considered the broader scope excessive and limited the mechanism's application to foreign state-controlled investors. Due to these adjustments, the proposal must now be reconsidered by the National Council.



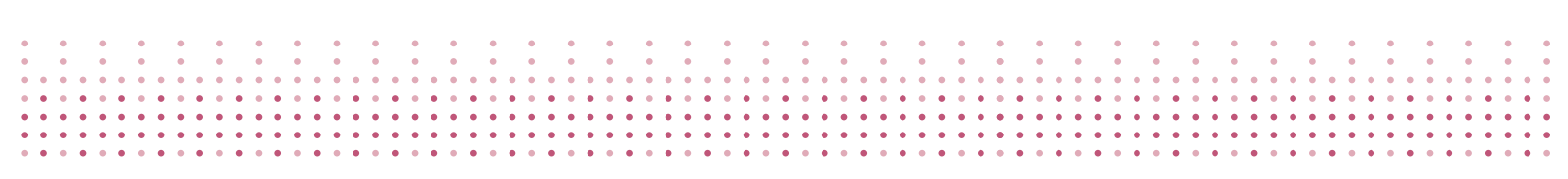
State

Parliamentary deliberations on the introduction of an investment control mechanism in Switzerland are at a decisive stage. After the National Council called for a comprehensive framework in September 2024, the Council of States successfully reversed this expansion during the 2025 autumn session. It adopted the proposal by 27 votes to 11, with 3 abstentions. The majority of the Council of States considered the broader scope excessive and limited the mechanism's application to foreign state-controlled investors. As a result of these changes, the proposal must now be reconsidered by the National Council.



Outlook

The Economic Affairs and Taxation Committee of the National Council (EATC-N) discussed the proposal at its meeting on 13–14 October and decided largely to follow the position of the Council of States. The



proposal will be debated again by the National Council during the winter session.



Position

Foreign direct investment is of central importance to Switzerland, as it significantly contributes to prosperity and competitiveness in the country's small and open economy. The well-being of the population and the competitiveness of Swiss companies depend directly on integration into global value chains. Since Swiss companies themselves rank among the largest direct investors abroad, Switzerland has a particular interest in maintaining the most non-discriminatory and transparent access possible to international investment markets. The best way to achieve this is by remaining open to foreign investment. The Federal Council considers the existing legal framework sufficient, and SwissHoldings supports this position. However, the question of whether Switzerland should introduce an investment screening mechanism cannot be assessed in isolation from international developments. If OECD member states were to introduce widespread restrictions on certain foreign investments, this would have to be taken into account when evaluating Switzerland's regulatory approach — not least to avoid triggering negative spillover effects on the Swiss economy.

Investment Protection Agreements



Executive Summary

Switzerland has one of the world's largest networks of bilateral investment protection agreements (IPAs). Following a change in Federal Council practice, such agreements are now subject to an optional referendum. Investment protection agreements create a reliable framework that enables Swiss companies to invest abroad safely and sustainably. SwissHoldings welcomes global efforts to continuously develop and improve the IPA framework. The IPA with Saudi Arabia expired on 8 August 2025, and negotiations for a new agreement are already well advanced.



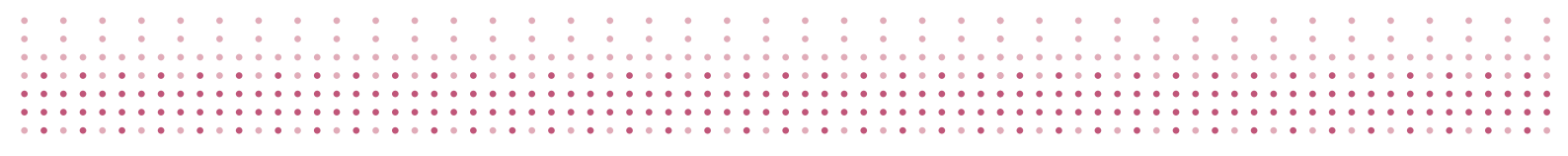
Contents

Switzerland maintains a network of 119 bilateral investment protection agreements (ISA) – the world's third-largest after Germany and China, according to UNCTAD. These agreements improve the investment framework and enhance Switzerland's attractiveness as a business location. Following a change in Federal Council practice, ISAs – like free trade agreements – are now subject to the optional state-treaty referendum.



State

The first ISA to undergo consultation was the new agreement with Indonesia, closing the gap left by the termination of the previous accord in 2016. The new bilateral ISA entered into force on 1 August 2024. Saudi Arabia notified Switzerland on 9 August 2022 of its intention to terminate the existing ISA. Originally due to expire on 8 August 2023, it was extended by mutual agreement for two years – until 8 August 2025. Negotiations on a new agreement are now well advanced, but Saudi Arabia has declined a further extension. SwissHoldings and other associations were consulted and informed in advance.





Outlook

SECO continues to evaluate and, where necessary, expand Switzerland's network of investment protection agreements.



Position

Foreign direct investment is central to Switzerland: prosperity and corporate competitiveness in our small, open economy depend heavily on global interconnectedness. Investment-promotion and protection treaties are essential, as foreign investments are exposed to both economic and political risks. Effective investment protection requires an investor–state dispute-settlement mechanism. Such mechanisms have proven their worth for Switzerland and its companies, as they build on existing international structures (ICSID, UNCITRAL) and ensure fact-based, politically independent dispute resolution. SwissHoldings supports the further development of these mechanisms to enhance legal certainty and protect against misuse.

Corporate Social Responsibility

Corporate Responsibility



Executive Summary

The EU is currently adapting its sustainability regulations as part of the so-called omnibus process. In September 2025, the Federal Council decided to formulate a counterproposal the new Responsible Business Initiative. This counterproposal shall be coordinated internationally. SwissHoldings welcomes this approach in principle: sustainability should be strengthened – but with internationally coordinated, practical solutions rather than a unilateral approach.



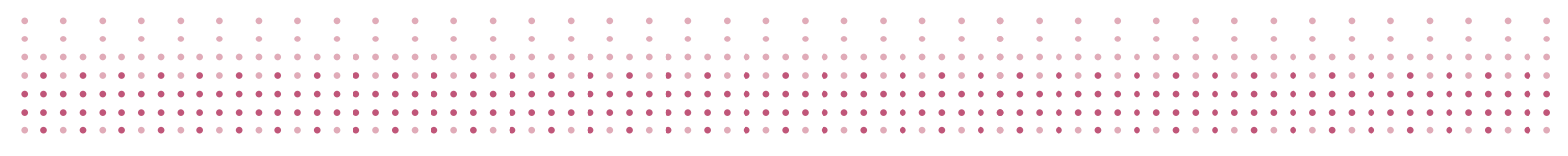
Contents

Global – and especially EU – developments in non-financial reporting and due-diligence obligations have advanced rapidly in recent years. Within its Green Deal, the EU has adopted numerous regulations to assume a global leadership role. The Federal Council is currently assessing to what extent the regulatory approaches adopted by the EU should be reflected in Swiss law. Uncertainty remains because the European Commission proposed the “Simplification Omnibus” package in February 2025, which reduces reporting duties, eases liability rules, and delays implementation. In April, the “Stop-the-Clock” initiative followed, suspending certain provisions. Moreover, leading politicians such as President Macron and Chancellor Merz have called for the repeal of the EU Corporate Sustainability Due Diligence Directive (CSDDD).



State

At the [end of March 2025](#), the Federal Council advocated an internationally coordinated approach to sustainability regulation, deciding to await EU developments before considering further amendments to Swiss law. On 3 September 2025, the Federal Council also decided to present a counterproposal to the newly submitted Responsible Business Initiative (“Konzernverantwortungsinitiative 2.0”), aligning it with the frameworks currently debated in the EU.





Outlook

The detailed design of the counterproposal has not yet been finalized. The Federal Council plans to present a draft by the end of March.



Position

The Federal Council's decision sends the right signal: sustainability should be strengthened – but not through isolated national rules. Instead, Switzerland should proceed in step with international developments. Given the current economic situation, additional regulatory burdens would be untenable for companies. Switzerland already has high standards: firms are subject to comprehensive reporting requirements on environmental, human-rights, and social risks. This framework is internationally compatible and consistent with prevailing global standards.

While the EU is currently deregulating in several areas, the new Responsible Business Initiative demands unrealistic special rules, ignoring existing standards and introducing liability mechanisms unknown internationally – a politically and economically counterproductive solo effort. The Federal Council rightly opts for international coordination: sustainability should be promoted through practical, harmonized solutions rather than isolated Swiss provisions.

Collective Legal Protection



Executive Summary

The Council of States clearly rejected the class action bill (21.082) in the 2025 fall session, following the lead of the National Council. The bill is therefore off the table. Instead, according to postulate 25.3954, it should be examined whether conciliation and ombudsman procedures could serve as alternatives. SwissHoldings welcomes the rejection of the bill and supports the pragmatic approach of the postulate.



Contents

According to the Federal Council dispatch on [class-actions \(21.082\)](#), the proposal provides for an expansion of the existing association action, the creation of a new association action for damages, and the introduction of court-approved collective settlements.



State

In the autumn session, the Council of States decided – by 30 votes to 13 with two abstentions – not to enter into deliberation on the class-action proposal, thereby following the National Council's decision. This acknowledges the risks of a litigation industry and relies on proven solutions. The Legal Affairs Committee of the Council of States (LAC-S) has proposed a pragmatic alternative through Postulate 25.3954, requesting the Federal Council to examine whether existing conciliation and ombudsman procedures could serve as effective alternatives. Such procedures already achieve amicable settlements in up to 80 per cent of cases quickly and at low cost.



Outlook

Postulate 25.3954 on strengthening existing conciliation and ombudsman mechanisms will be discussed by the Council of States in the winter session.





Position

The business community clearly rejects the proposal. Experience abroad shows that introducing class actions fosters the establishment and constant expansion of a professional “litigation industry.” A major driver is third-party litigation funding (TPLF), in which external investors finance lawsuits, encouraging claims without bearing the actual risks. This trend is not limited to the US: in the EU, class-action cases have also increased sharply in recent years due to legislative changes and easier access to litigation funding.

This view is reflected in the [Sotomo study](#) commissioned earlier this year by economiesuisse and SwissHoldings: experts from large corporations and SMEs with experience of class actions in the US and EU assess the associated risks more accurately and thus increasingly argue that Switzerland should continue to refrain from introducing class actions. Lessons from the most affected EU countries reinforce this stance.

Switzerland’s legal system ranks above average internationally. Even under current law, affected parties can assert compensation claims for mass or scattered damages – including smaller ones. Emerging technological developments, especially in artificial intelligence, will further expand these possibilities.

Accounting and reporting

IFRS Standardization



Executive Summary

The IFRS Foundation develops global accounting standards and oversees both the IASB, which sets financial reporting standards, and the ISSB, which focuses on sustainability standards. The completion of IFRS 20 has been postponed to the second quarter of 2026, and the next IASB agenda consultation, originally planned for autumn 2025, has been deferred to 2027. SwissHoldings actively contributes to these developments through detailed submissions.



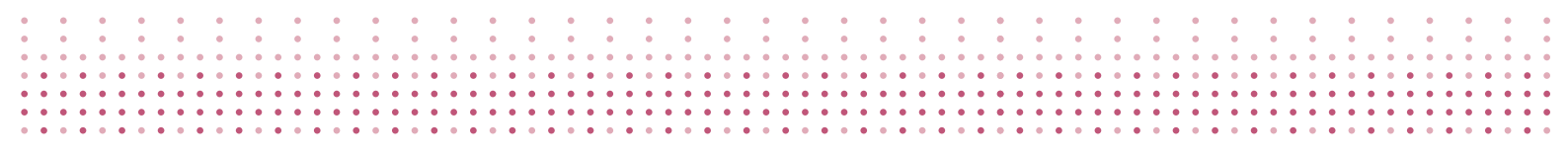
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The IFRS Foundation is a non-profit organization whose objective is to develop high-quality global accounting standards, promote their use and application, and foster convergence of national accounting rules with these standards. The Foundation oversees both the IASB (Board issuing financial standards) and the ISSB (Board issuing non-financial standards).



State

The ISSB focuses on supporting the implementation of international sustainability standards and has launched new research projects on biodiversity, human rights, and human capital. The IASB has finalized and published the amendments to IFRS 19, while completion of IFRS 20 on regulatory activities has been postponed to Q2 2026. The start of the next IASB agenda consultation, originally planned for autumn 2025, has been deferred to 2027 to be conducted jointly with the ISSB.





Outlook

The ISSB and IASB are advancing key projects for the continued development of global standards.



Position

Detailed positions are set out in [the association's respective submissions](#).

Capital Markets

Swiss Financial Location



Executive Summary

In response to the CS crisis, the Federal Council presented a package of measures in June 2025 to strengthen the stability of Switzerland as a financial location. The consultation on the package to amend the Capital Adequacy Ordinance concluded at the end of September. At the same time, the federal government opened a second consultation, which includes the proposal to fully back foreign subsidiaries of systemically important banks with hard capital. From SwissHoldings' perspective, regulation is needed that strengthens stability without tightening financing conditions for companies.



Contents

Through its package of measures to strengthen financial-market stability, the Federal Council draws lessons from the CS crisis. The proposals include amendments at both legislative and ordinance levels and are divided into four consultations running until 2026. They concern, among other things, capital requirements, liquidity provision, corporate governance, and supervision.



State

On 14 June 2025, the Federal Council presented the key parameters. The consultation on ordinance-level measures was completed at the end of September 2025, with SwissHoldings participating. At the same time, the Federal Council opened a second consultation on amendments to the Banking Act and the Capital Adequacy Ordinance. More information is available [here](#). The consultation addresses the proposal that systemically important banks must in future fully back their holdings in foreign subsidiaries with core equity capital – intended to better shield the Swiss parent entity from foreign losses. Implementation is to take place gradually over seven years and forms part of the Too-Big-to-Fail (TBTF) framework. The consultation runs until 9 January 2026.



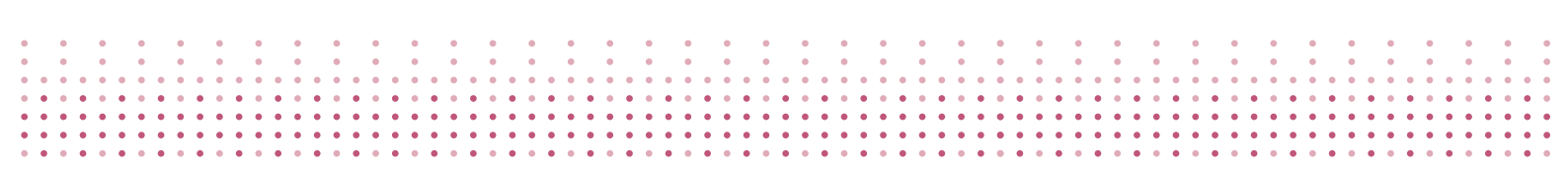
Outlook

SwissHoldings will closely monitor further developments in this dossier and engage in upcoming consultations. In parallel, the Secretariat will update the survey on financial-services offerings in Switzerland conducted in 2023 and 2024, focusing on possible changes in conditions.



Position

SwissHoldings' members are not directly affected by the Federal Council's measures to strengthen banking stability, as the association does not represent banks or insurers. Nonetheless, the package is highly relevant: given the potentially high real-economic costs of banking crises, SwissHoldings' members have an interest in regulation that



prevents such crises as far as possible. At the same time, they rely on financial services that can only be provided by internationally competitive banks.

For a highly interconnected economy like Switzerland's, a globally significant financial centre is a decisive competitive advantage. At least one internationally active major bank is indispensable for globally oriented companies to conduct their business through the Swiss financial centre. Such a globally integrated financial hub also helps maintain the strength of the Swiss franc, which in turn ensures generally low interest rates and thus favourable financing conditions for companies. From SwissHoldings' perspective, new regulatory approaches must systematically take into account their effects on the real economy. Regulation should strengthen financial-system stability without unnecessarily tightening corporate financing conditions. The new rules must not restrict or make credit to companies more expensive. Banks must remain able to serve international and complex financing needs of large industrial firms – for example in infrastructure, export, or innovation projects. Regulation must also avoid constraints on operational financial management, such as limits on cash pooling, higher fees, or reduced transaction security in international payments. Finally, legislative adjustments must focus strictly on systemically important banks. Extending them to other large companies – inside or outside the financial sector – must be avoided.

