2019 was eventful in terms of regulatory updates, worldwide and in Switzerland.

Back in 2004, globally, there were 10 regulatory updates per day. In 2017, we were at 185, so 1 every 12 minutes. In 2019, we reached 200 per day! We focused on the update of the CDB 20, the update on GDPR and the impact in Switzerland, the update of the Swiss Federal Data Protection Act and, overall, on the role of the compliance officer in this ever-changing environment.

The Swiss Banking Association has published the revised agreement on the Swiss Bank’s code of conduct that will come into force as of 1 January 2020: the CDB 20.

The main changes include:

- A lower threshold for identifying the counterparty in cash transactions (from CHF 25,000 to CHF 15,000).
- An account with incomplete documentation must be blocked for all incoming or outgoing transactions after 30 days compared to 90 days in CDB 16
- Online identification is formally included in the CDB 20

These changes trigger different challenges: while the lower threshold was felt as being quite easy to implement, the others have triggered discussions within the various institutions on the feasibility. The guidance provided does not really help either. The question was raised as to why the CDB 20 revision was not « bundled» together with the revised AMLO-FINMA, coming also into force next January.

Important aspects to the implementation of such provisions are linked to the IT budget and resources of each institutions, as well as to their management’s risk-taking and strategy.

Policies must be aligned but the «human» aspect in terms of trainings and development is also not to be underestimated.

There was a consensus among panelists that, while data software and tools are useful, especially for monitoring purposes on existing relationships, the «human» factor, especially for the onboarding phase off the KYC remains paramount. However, as compliance officers navigate in ever-changing regulatory environments, they are faced with the difficult task of balancing the compliance needs and the ongoing business. A special mention was made around the documentation required for on-boarding: there is an increased difficulty of being able to gather relevant documentation as per GDPR and FDPA. The bottom line was that, if a customer refuses to provide a copy of his/her ID card, he/she should not be on-boarded.

The role of the Compliance officer is becoming more versatile as it links the regulatory aspect to the business. On the question whether the « compliance officer would be the riskiest job in Swiss banking » as Finews Magazine put it in March 2019, the panelists felt that the Compliance office is not a « one-man » show and that the first line of defense should also bear the share of responsibility.