



**KEY FIGURES**



Sources: IFZ FinTech Study, 2020; CV VC Top 50 Report H2/2019

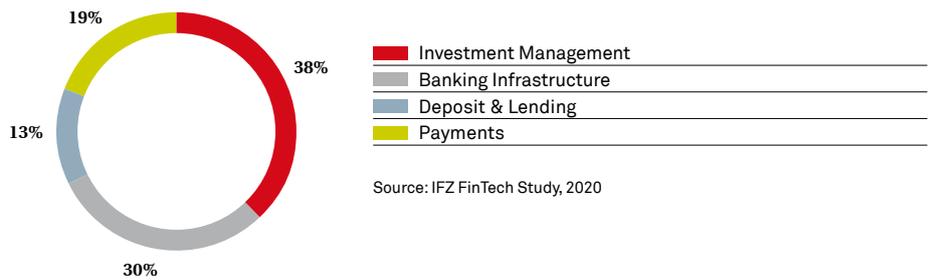
**FINTECH SWITZERLAND**

**AT A GLANCE**

Switzerland enjoys an international reputation as a trustworthy, reliable and innovative financial center. Years of experience in the banking and insurance sector combined with technological expertise and a well-developed infrastructure provide excellent conditions and a first-class ecosystem for the fintech sector. With the amendment to the Banking Ordinance and the creation of a business-model-neutral fintech license, Switzerland did pioneering work: market entry barriers for fintech companies have been reduced and the competitiveness of the Swiss financial center sustainably increased.

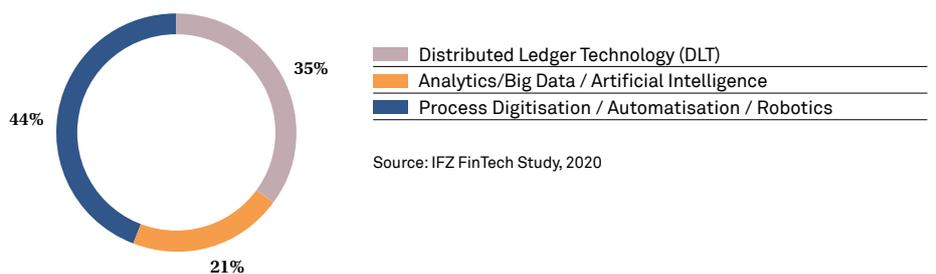
**Swiss fintech landscape**

Figures by product area (n=382)



**Swiss fintech landscape**

Figures by technology area (n=382)



## RESEARCH AND DEVELOPMENT (R+D)

- As a traditionally strong financial center with infrastructure close to universities, Switzerland offers ideal conditions for driving innovations in the fintech scene. **Key locational advantages** include political stability, legal certainty, regulatory efficiency, access to venture capital, the availability of highly qualified professionals and graduates in ICT and a dense cluster of world-renowned universities and research laboratories that work closely together with business.
- Thanks to extremely favorable conditions and a **liberal attitude of the authorities**, Switzerland has been regularly producing **world premiers**: in 2016, Zug became the first city in the world to accept bitcoin payments for tax purposes; in 2018, the fintech company 21Shares, formerly known as Amun, launched the **world's first crypto exchange-traded products (ETPs)** on the Swiss Stock Exchange.
- The two federal science and technology institutions in Lausanne and Zurich (EPFL and ETH Zurich) have been recognized as global leaders in crypto education (Coinbase, 2019).
- The University of Geneva, the CREA School in Geneva and the Crypto Valley Academy in Zug offer continuing education programs in DLT, including blockchain.
- The Swiss National Bank is working on a fintech project with the Swiss stock exchange to explore technological options to make digital central bank money available. The study is being conducted at the new Swiss BIS Innovation Hub Center in **Basel**.

### Swiss fintech ecosystem in international comparison

Fintech hub ranking

City	Rank
 Singapore	1
 Zurich	2
 Geneva	3
 Stockholm	4
 Amsterdam	5
 Toronto	6
 New York City	7
 Hong Kong	8
 London	9
 San Francisco	10
 Berlin	11
 Sydney	12
 Tokyo	15
 Seoul	17
 Dublin	18

Source: IFZ FinTech Study, 2020

Switzerland's fintech and crypto ecosystem is clustered around areas such as Zug, Zurich, Lucerne, Ticino, Berne, Neuchâtel, Vaud and Geneva.

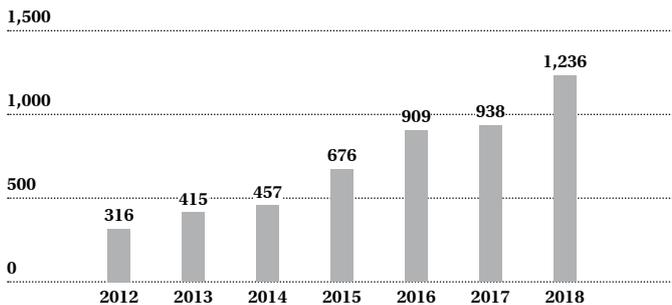
- Most of the fintech, DLT or crypto crowdfunded projects have their roots in **Zug**. Known as Switzerland's **Crypto Valley**, Zug is home to many well-known projects such as Monero, Ethereum, Bancor, Golem, Tezos or Lykke.
- A cluster of crypto-related companies has emerged in Southern Switzerland (**Lugano-Chiasso**). Some of these companies are involved in exchange or brokerage activities or offer platforms for the launch of crypto crowdfunding projects.
- In the fintech cluster around **Geneva and Neuchâtel**, there are new banking projects as well as public private initiatives which are focusing on the adaption of DLT for a variety of activities outside of the crypto finance area.
- **Neuchâtel** has developed a stable and comprehensive ecosystem in the field of blockchain, offering banking on-boarding solutions for businesses. The area provides a strong network of academic, financial, legal and institutional partners and has produced strong players over the years, such as Bity, DFINITY, NYM Technologies, or Tokenestate.
- Alongside favorable conditions with regard to financial regulations and ecosystems, Switzerland's long tradition of stability and protection makes it the ideal location for digital assets. The Swiss mountains are regarded as a safe and proven data storage facility, which increasingly attracts fintech companies from Silicon Valley to Switzerland. **Bitcoin pioneers such as Xapo or Breadwallet have already moved their headquarters to Switzerland** and are strengthening the innovative cluster.
- The **"Center for Innovative Finance"** (CIF) of the University of Basel is dedicated to researching practical issues in the fields of fintech, digital banking and innovative finance. Its research focuses on the scientific analysis and practical implementation of blockchain projects, venturing and innovative financial solutions. With this research focus, the CIF is unique in Switzerland and makes a decisive contribution to the research and application of future-oriented technologies.
- The **Swiss FinTech Innovation Lab** is a cross-disciplinary research program, hosted by the University of Zurich. It cooperates with a broad international network of universities, such as ETH Zurich, University of St. Gallen, MIT, Harvard, Stanford, University of Hong Kong, Singapore Management University, and many others.

## COSTS AND FINANCING

- With growth of more than 80 percent, investment in Swiss startups in 2019 has **broken through the 2 million Swiss franc barrier for the first time**. Startups in ICT, including fintech, attracted a total of 1.2 billion Swiss francs.

### Invested capital in Swiss startups, 2019

Yearly development (in CHF million)



Source: Swiss Venture Capital Report 2020

- Incubators, accelerators and awards have noticeably developed in Switzerland in recent years, offering startups and international companies a variety of services, support and opportunities to build a successful business here. Furthermore, a large number of competitions and awards promote innovative solutions and ideas.
- As the first regulated bank in the world, the Swiss online bank-Swissquote has been processing ICOs since October 2018.

## FRAMEWORK CONDITIONS AND MARKET ENTRY

The Swiss state has recognized the huge potential of the fintech and industry and blockchain technology. The Swiss authorities take a **technology-agnostic, bottom-up approach**. Instead of introducing a blockchain law, it aims to selectively integrate new technologies into the existing legislation and provide an **innovation-friendly regulatory framework**. A brief history:

- Swiss authorities began to remove barriers to entry for fintech back in 2016, introducing a **sandbox** regime in 2017.
- In 2018, the Swiss Financial Market Supervisory Authority FINMA became the **first regulator in the world to publish clear guidelines** on ICOs and classifications for tokens. Later that year, the Geneva cantonal authorities released the very first guide dedicated to supporting ICO project promoters.
- Since the beginning of 2019, it has been possible to obtain a **fintech license**, allowing public deposits of up to 100 million Swiss francs to be accepted. This simplifies blockchain and crypto companies' access to the Swiss market.
- In 2019, FINMA granted banking licenses to Swiss-based SEBA and Sygnum, making them the **world's first crypto banks**.
- In June 2020, the Swiss authorities passed a legislative package impacting around a dozen financial laws and **bringing favorable changes for the blockchain and DLT sector**. It was also decided to leave untouched the respective tax laws, which are considered to be quite favorable.

With its international nature and its multicultural tradition, **Geneva provides a dynamic and innovative setting for token generation projects**. The Directorate General for Economic Development, Research, and Innovation (DG EDRI) of the State of Geneva offers entrepreneurs the possibility of obtaining an evaluation of their token generation project and facilitates access to the Geneva ecosystem.

## TESTIMONIAL



“Switzerland offers a very supportive environment to the growth and development of fintechs, as it combines the following key ingredients: a technology-neutral legal framework, a stable economic and political system, a strong history and expertise in banking and finance, and an excellent education system, in particular in the areas of engineering, IT and security.”

SÉBASTIEN DESSIMOZ  
Managing Partner Taurus Group SA  
[www.taurusgroup.ch](http://www.taurusgroup.ch)

## CURRENT DEVELOPMENTS

- The Swiss Stock Exchange is building the **first market infrastructure in the world** to offer a fully integrated trading, settlement and custody service for digital assets (**Six Digital Exchange SDX**). A prototype has already been launched, and the full launch is expected by the end of 2020.
- In May 2019, **Libra Networks** was established in Geneva with the support of **Facebook**, to develop a new type of digital payment solution based on stablecoins. Following international controversy, the original project has since been modified to meet regulatory concerns. It applied for a Swiss payment system license in spring 2020.
- Mt Pelerin is a Geneva-based fintech company specialized in asset tokenization and digital compliance. It develops solutions to bridge the token economy with traditional finance, and works on the creation of a full-reserve tokenized institution. The goal is to democratize funding and investment products.

## CONTACTS AND FURTHER INFORMATION

### Authorities and regulators

[SIF, State Secretariat for International Finance](http://SIF.StateSecretariatforInternationalFinance.sif.admin.ch)  
[sif.admin.ch](http://sif.admin.ch)

### Swiss Financial Market Supervisory Authority FINMA

[Fintech Desk](http://FintechDesk.www.finma.ch)  
[www.finma.ch](http://www.finma.ch), [fintech@finma.ch](mailto:fintech@finma.ch)  
Tel: +41 31 327 16 16

> [Fact sheet: Virtual currencies](#)

> [Stablecoin guidelines](#)

> [ICO guidelines](#)

### Associations and networks/

#### Financing

[blockchainfederation.ch](http://blockchainfederation.ch)

[bluelion.ch](http://bluelion.ch)

[cif.unibas.ch](http://cif.unibas.ch)

[cmta.ch](http://cmta.ch)

[createchallenge.org](http://createchallenge.org)

[cryptopolis.swiss](http://cryptopolis.swiss)

[cryptovalley.swiss](http://cryptovalley.swiss)

[cvvc.com](http://cvvc.com)

[f10.ch](http://f10.ch)

[fusionpartners.ch](http://fusionpartners.ch)

[gbbcouncil.org](http://gbbcouncil.org)

[genevafin.tech](http://genevafin.tech)

[innovation.thomsonreuters.com](http://innovation.thomsonreuters.com)

[kickstart-innovation.com](http://kickstart-innovation.com)

[masschallenge.org/programs-switzerland](http://masschallenge.org/programs-switzerland)

[startsummit.ch](http://startsummit.ch)

[swissfinancestartups.com](http://swissfinancestartups.com)

[swissfinte.ch](http://swissfinte.ch)

[swissfintechinnovations.ch](http://swissfintechinnovations.ch)

[swissstartupfactory.com](http://swissstartupfactory.com)

[trustsquare.ch](http://trustsquare.ch)

[www.venturekick.ch](http://www.venturekick.ch)

### Publications & Tools

[IFZ FinTech Study 2020](#)  
[hslu.ch](http://hslu.ch)

[Swiss Venture Capital Report 2020](#)

[startupticker.ch](http://startupticker.ch)

[CV VC Top 50 Report H2/2019](#)

[cvvc.com/top50](http://cvvc.com/top50)

[Crypto Valley Map](#)

[cryptovalley.directory](http://cryptovalley.directory)

[Swiss FinTech Ecosystem Directory](#)

[swissfinte.ch](http://swissfinte.ch)

### S-GE Resources

[Tech Location Switzerland](#)

[www.s-ge.com/tech](http://www.s-ge.com/tech)

[Handbook for Investors](#)

[www.s-ge.com/](http://www.s-ge.com/)

[handbookforinvestors](http://handbookforinvestors)

[More fact sheets on](#)

[Switzerland as a business location](#)

[www.s-ge.com/factsheets](http://www.s-ge.com/factsheets)

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