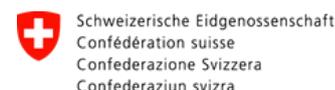


FEDERAL COUNCIL LAUNCHES CONSULTATION PROCEDURE ON A BILL TO STRENGTHEN THE ANTI-MONEY LAUNDERING FRAMEWORK



On 30 August 2023, the Federal Council launched a consultation procedure on a bill to strengthen the existing Swiss anti-money laundering framework. The key elements of the proposed bill are:



FEDERAL REGISTER FOR BENEFICIAL OWNERSHIP

Introducing a non-public Federal Register, which will include companies and other legal entities in Switzerland, as well as their beneficial owners. At the same time, simplified registration will be provided for certain legal forms, such as limited liability companies, sole proprietorships, associations and foundations. This register will be managed by the Federal Department of Justice and Police (FDJP). An audit unit within the Federal Department of Finance (EDF) will carry out checks of the register, and issue penalties, if needed.



DUE-DILIGENCE OBLIGATION FOR CERTAIN ACTIVITIES

Certain consultancy activities (e.g. legal advice) that bear a high risk of money laundering will become subject to due diligence obligations. The structuring of companies or real estate transactions are considered to be particularly risky. Notably, professional secrecy for legal professionals will be maintained.



FURTHER MEASURES

- Measures will be taken against circumvention of sanctions under the Embargo Act.
- The threshold for cash payments in precious metals trading will be lowered from CHF 100,000 to CHF 15,000. It will still be possible to make cash payments above this limit, but they will be subject to certain due diligence rules.
- All cash payments in real estate business will be subject to anti-money laundering due diligence rules, irrespective of the monetary amount involved.

The consultation on the bill will last until 29 November 2023.

Polixis is a best-in-class RegTech firm, headquartered in Geneva. We offer software and data solutions, as well as advisory services to our clients.

To find out how Polixis' solutions can help you mitigate **UBO, PEP, Sanctions**, and **Adverse Media** risks, please, contact our team for a short demo at team@polixis.com or **+41 22 340 22 00**.