

SFI Public Discussion Note

Global Financial Regulation, Transparency, and Compliance Index (GFRTCI) 2026



English Version | 2026 Edition



With its Public Discussion Note series the Swiss Finance Institute (SFI) is actively promoting a well-founded discussion of topics relevant to the financial industry, politics, and academia. Furthermore, SFI disseminates its findings through research, publications, Master Classes, and conferences.

Introduction



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Each year since 2020, the Swiss Finance Institute (SFI) has published a Global Financial Regulation, Transparency, and Compliance Index (GFRTCI). This index scores and ranks countries on their adoption of, compliance with, and enforcement of a set of global financial standards. Constructed as a meta-index, the GFRTCI is based on public data from existing rankings, indices, and research studies. Its purpose is to identify and clarify the strengths and weaknesses of the various countries and to encourage discussion of the regulatory environment.

As the previous six editions of the GFRTCI have been very well received within the financial community, the 2026 index uses the same framework, index components, and component weights. As in previous years, the Bank for International Settlements (BIS) has made a few adjustments to the adoption framework for the Basel III standards, reducing the total number of observed standards from 30 to 29. The index therefore documents how countries' standings evolve over time.

From 2025 to 2026, the changes in the overall ranking were rather small. The ten top-ranked countries in 2026 were also in the top ten in 2025. Among these top ten countries, Belgium, Denmark, and Switzerland moved one position up, while Canada, Ireland, and the Netherlands moved one position down. As in previous years, except for Canada and Switzerland, all countries in the top ten are members of the European Union (EU).

In line with these relatively minor changes in the overall ranking, the individual country data and the averages of the index components have also not changed greatly. At the same time, there has been significant progress in the adoption of the Basel III standards. At the end of 2025, the vast majority of countries showed an implementation score above 90%, with two countries, Canada and Switzerland, being fully compliant with all 29 standards.

Risks to the financial system are always changing, requiring the Basel regulatory standards to continue to evolve. For example, in 2026 a new standard with respect to cryptoassets will be introduced. This development will most likely affect future GFRTCI scores and rankings.

Stricter regulation, increased transparency, and better compliance always come with both costs and benefits. The goal of policymakers should be to find the optimal trade-off, while trying to ameliorate observed deficiencies in specific areas.

The contributors would like to acknowledge the research assistance of Jason Blunier, SFI PhD candidate in Finance at the University of Zurich.

To view the electronic version of this publication, please use the QR code or visit <http://www.sfi.ch/pdngftrtci2026>



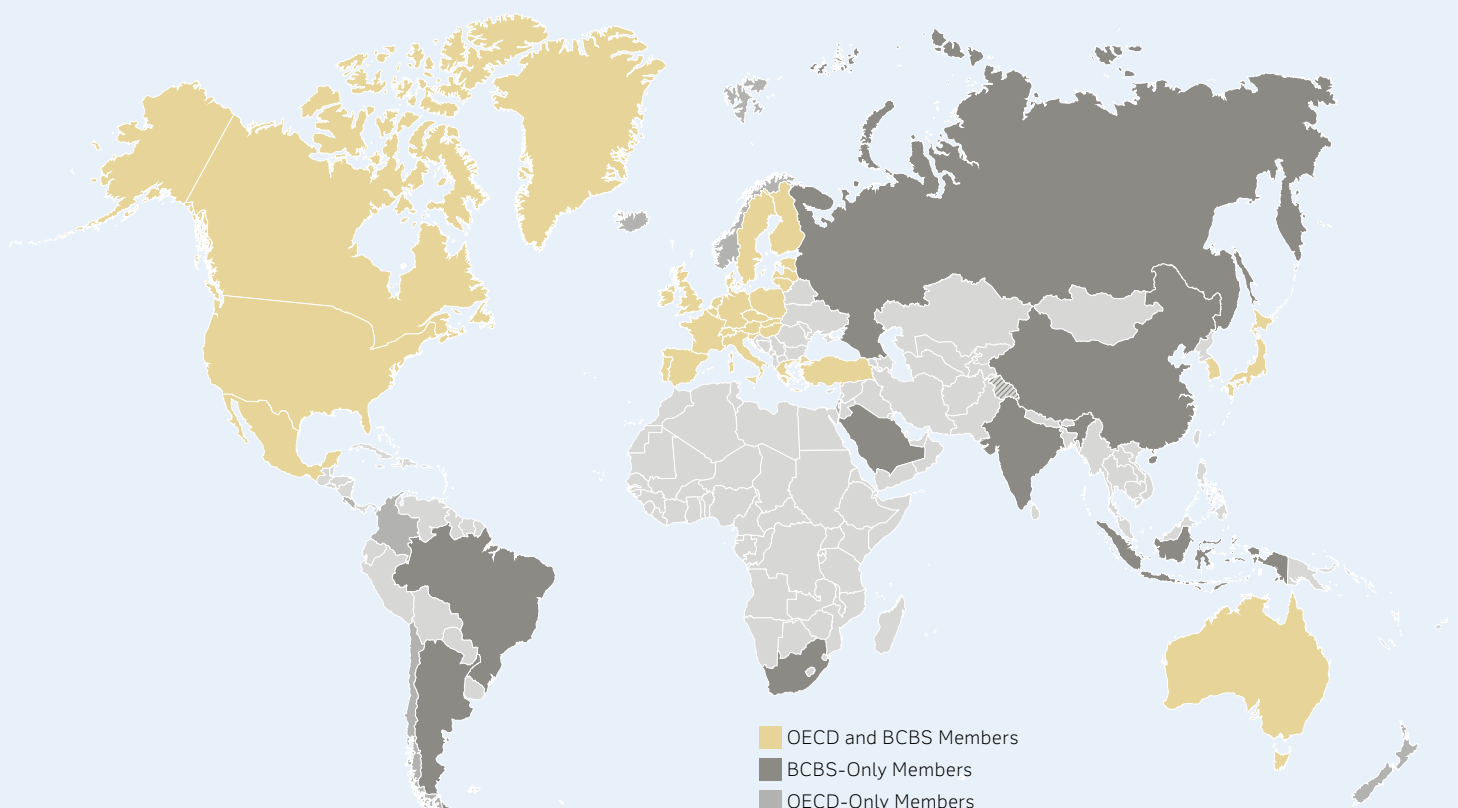
About the GFRTCI

Over the last few decades, financial regulation has become broader, more global, and increasingly complex. On the one hand, there are international frameworks such as Basel III, sometimes accompanied by additional national "finishes" (Switzerland, for example, adds the so-called Swiss Finish). On the other hand, numerous standards with respect to such issues as transparency, corruption, money laundering, and data exchange have been suggested, requested, or introduced by supranational organizations, non-governmental organizations (NGOs), or think tanks representing different stakeholders. Individual countries choose to adopt, or not adopt, these suggested rules and standards into their national laws. Subject to signed international treaties, they retain some leeway as to if, when, and how they implement these rules and standards, and to what extent they enforce them.

Various studies regularly document specific components of these rules and standards, whether national or international, in the areas of Bank Regulation, Financial Transparency, or Financial Compliance. For example, the Basel Committee on Banking Supervision (BCBS) oversees the implementation of the Basel standards, the Organization for Economic Co-operation and Development (OECD) publishes its Exchange of Information

on Request (EOIR) rating, Transparency International publishes the Corruption Perceptions Index, and the Basel Institute on Governance assesses the risk of money laundering and terrorist financing with its Basel Anti-Money-Laundering Index (AML).

The SFI's GFRTCI aggregates several of these well-known and accepted ratings and indices into a simple and understandable metric, which then allows countries to be ranked according to their overall standing in terms of financial regulation, transparency, and compliance. The index is based on publicly available and established data, classifications, and rankings. The institutions behind these measures are credible and publish their findings on a regular basis, either annually or semiannually.



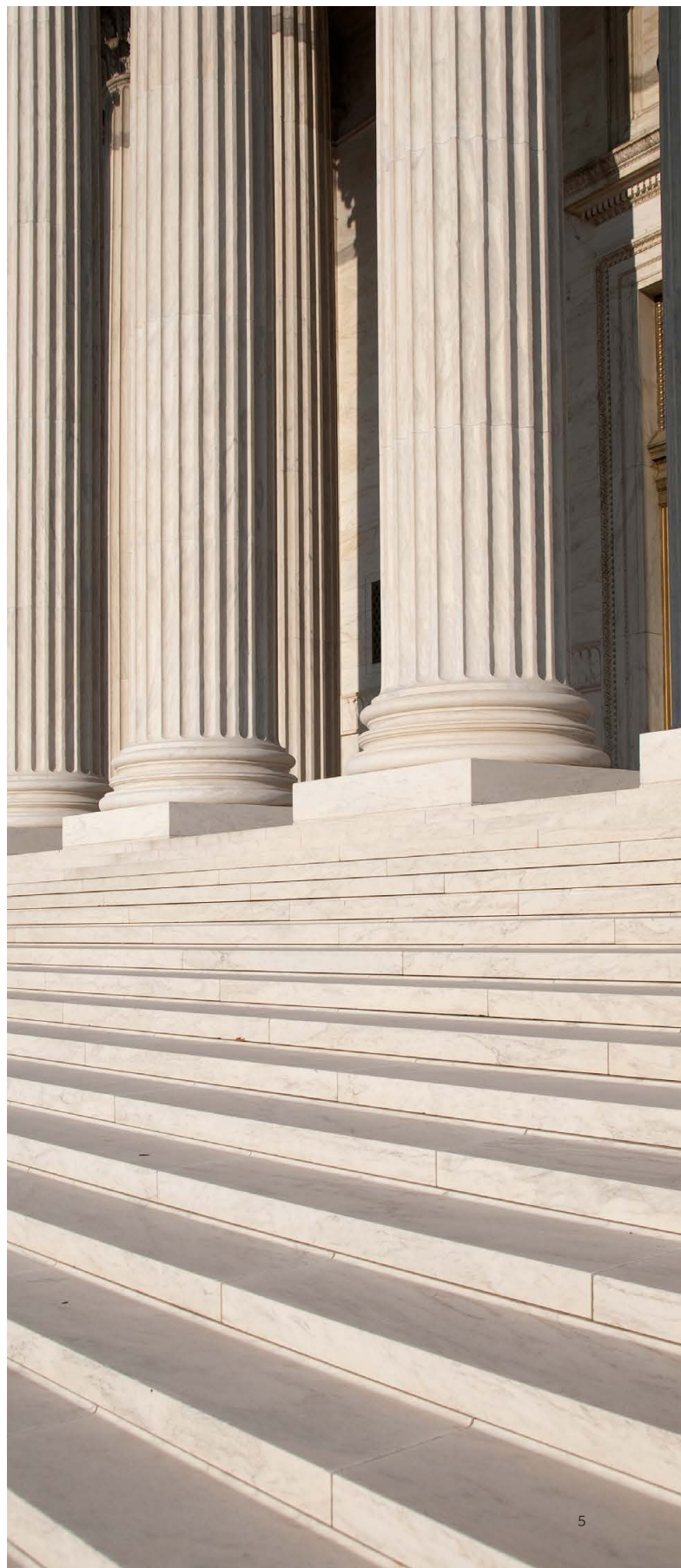
Countries Included in the GFRTCI

In this seventh edition of the GFRTCI, the underlying framework remains the same as in previous years. The index analyzes and ranks those OECD member countries which are, at the same time, members of the Basel Committee on Banking Supervision (BCBS), the primary global standard-setter for the prudential regulation of banks.

Some EU countries are direct members of the BCBS (Belgium, France, Germany, Italy, Luxembourg, the Netherlands, Spain, and Sweden); the other EU countries are represented by the European Union's membership.

The 31 joint member countries are listed below:

OECD-Only Members	OECD and BCBS Members	BCBS-Only Members
Chile (CL)	Australia (AU)	Argentina (AR)
Colombia (CO)	Austria (EU)	Brazil (BR)
Costa Rica (CR)	Belgium (EU)	China (CN)
Iceland (IS)	Canada (CA)	Hong Kong SAR (HK)
Israel (IL)	Czech Republic (EU)	India (IN)
New Zealand (NZ)	Denmark (EU)	Indonesia (ID)
Norway (NO)	Estonia (EU)	Russia (RU)
	Finland (EU)	Saudi Arabia (SA)
	France (EU)	Singapore (SG)
	Germany (EU)	South Africa (ZA)
	Greece (EU)	
	Hungary (EU)	
	Ireland (EU)	
	Italy (EU)	
	Japan (JP)	
	Korea (South) (KR)	
	Latvia (EU)	
	Lithuania (EU)	
	Luxembourg (EU)	
	Mexico (MX)	
	Netherlands (EU)	
	Poland (EU)	
	Portugal (EU)	
	Slovak Republic (EU)	
	Slovenia (EU)	
	Spain (EU)	
	Sweden (EU)	
	Switzerland (CH)	
	Turkey (TR)	
	United Kingdom (UK)	
	United States (US)	



Components of the GFRTCI

The GFRTCI assesses the 31 joint members of the OECD and BCBS using seven ratings and indices: Three components measure a country's implementation of certain regulations, and four components quantify its political environment and its enforcement of regulations in general. The cutoff date for data collection for this year's index was February 28, 2026, with the exception of the EIU Democracy Index, whose publication was delayed to April 2026.

Subindex A—Degree of Regulation Implementation

The following three components measure how well a country has implemented banking regulations, analyze the country's standards with respect to the exchange of information on request, and assess its risk of money laundering and terrorist financing.

The components defining subindex A of the GFRTCI are:

- **BCBS Progress Reports on the Adoption of the Basel Regulatory Framework:**

The Basel Committee on Banking Supervision (BCBS) regularly publishes these progress reports; the most recent one was released on October 31, 2025. The report lists 29 different standards in seven categories, all with an implementation deadline of 2025 or earlier.

The BCBS categories and standards are listed in Table 1.

- **Exchange of Information on Request (EOIR) Rating:**

Based on peer review by international assessment teams, and published by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, this rating assesses each country's EOIR standard and its compliance with the corresponding international standard. Each country is rated as either compliant (4), largely compliant (3), partially compliant (2), or noncompliant (1). This rating is continuously updated; the data used here is current as of February 2026.

https://www.datawrapper.de/_/LGXCI/

- **Basel Anti-Money-Laundering Index (AML):**

Published by the Basel Institute on Governance, this index assesses the risk of money laundering and terrorist financing in each country. It provides an overall risk score, based on 15 indicators of a country's adherence to anti-money laundering and anti-terrorism financing regulations; its levels of corruption, financial standards, and political disclosure; and its adherence to the rule of law. The index ranges from approximately 2 to 9, where a lower score stands for a lower risk. The data used here is current as of February 2026.

<https://index.baselgovernance.org>

Subindex B—Political Environment and Enforcement of Regulations in General

The following four components measure aspects of a country's political environment and its enforcement of regulations in a broader context.

The components defining subindex B of the GFRTCI are:

- **The Economist Intelligence Unit's Democracy Index (EIU DI):**

Published by The Economist Group, a sister company to The Economist newspaper, this index rates each country by 60 indicators across five broad categories: Electoral process and pluralism, the functioning of government, political participation, democratic political culture, and civil liberties. On a scale of 0 to 10, a score of 0 to 4 stands for an authoritarian regime, 4 to 6 for a hybrid regime, 6 to 8 for a flawed democracy, and 8 to 10 for a full democracy. The data used here is current as of April 2026.

<https://www.economist.com/interactive/democracy-index-2025>

- **Corruption Perceptions Index (CPI):**

This index, published by Transparency International, ranks countries by their perceived levels of public sector corruption, according to experts and business people. On a scale of 0 to 100, a score of 0 is highly corrupt and a score of 100 is very clean. The data used here is current as of February 2026.

<https://www.transparency.org/en/cpi/2025>

- **Heritage Foundation Business Freedom Index (HF BF):**

This index is a subindex of the Heritage Foundation's Economic Freedom Index. The Heritage Foundation defines Business Freedom as "an overall indicator of the efficiency of government regulation of business." On a scale of 0 to 100, a score of 0 equals no business freedom and 100 equals total business freedom. The data used here is current as of February 2026.

<https://www.heritage.org/index/>

- **Heritage Foundation Judicial Effectiveness Index (HF JE):**

This index is also a subindex of the Heritage Foundation's Economic Freedom Index. The Heritage Foundation defines Judicial Effectiveness as "an essential component of the rule of law, which requires efficient and fair judicial systems to ensure that laws are fully respected, with appropriate legal actions taken against violations." On a scale of 0 to 100, a score of 0 equals no judicial effectiveness and 100 equals total judicial effectiveness. The data used here is current as of February 2026.

<https://www.heritage.org/index/>

Table 1: BCBS Implementation (October 2025 Report)

Basel Standards		Deadline	AR	AU	BR	CA	CN	HK	IN	ID	JP	KR	MX	SA	SG	ZA	CH	TR	UK	US	EU
Capital	Countercyclical capital buffer	2016	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
	Margin requirements for non-centrally cleared derivatives	2016	1	4	4	4	3	4	4	4	4	2	3	4	4	4	4	1	4	4	4
	Capital requirements for exposure to central counterparties	2017	4	4	4	4	4	4	3	4	4	4	4	4	4	4	4	4	4	4	4
	Capital requirements for equity investments in funds	2017	4	4	4	4	4	4	1	na	4	4	2	4	4	4	4	4	4	2	4
	Standardized approach for counterparty credit risk exposure	2017	4	4	4	4	4	4	3	4	4	4	1	4	4	4	4	4	4	4	4
	Securitisation framework	2018	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	1	4	2	4
	Total loss-absorbing capacity holdings	2019	na	4	4	4	4	4	1	na	4	1	4	4	4	4	4	1	4	4	4
	Revised standardised approach for credit risk	2023	4	4	4	4	4	4	1	4	4	4	4	4	4	4	4	2	3	2	4
	Revised IRB approach for credit risk	2023	na	4	4	4	4	4	na	na	4	4	1	4	4	4	4	2	3	na	4
	Revised credit valuation adjustment framework	2023	1	1	1	4	4	4	1	4	4	4	1	4	4	4	4	1	3	2	4
	Revised minimum requirements for market risk	2023	1	1	3	4	4	4	2	4	4	4	na	4	4	4	4	2	3	2	3
	Revised operational risk framework	2023	4	4	4	4	4	4	3	4	4	4	4	4	4	4	4	2	3	2	4
	Output floor	2023	na	4	na	4	4	4	na	na	4	4	1	4	4	4	4	2	3	2	4
	Risk-based capital	2013	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Leverage Ratio	Leverage ratio - 2017 exposure definition	2023	4	4	3	4	4	4	1	4	4	4	1	4	4	4	4	2	4	4	4
SIB	Global-SIB requirements	2016	na	na	4	4	4	4	na	na	4	4	na	na	4	na	4	na	4	4	4
	Domestic-SIB requirements	2016	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	na	4
	Leverage ratio buffer	2023	na	na	na	4	4	na	na	na	4	na	na	na	na	na	4	na	4	4	4
IRRBB	Interest rate risk in the banking book	2018	4	3	4	4	4	4	3	4	4	4	2	4	4	4	4	3	4	4	4
Liquidity	Monitoring tools for intraday liquidity management	2015	4	4	4	4	4	4	4	1	1	1	4	4	4	4	4	4	4	4	4
	Net stable funding ratio	2018	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
	Liquidity coverage ratio	2015	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Large Exposures	Large exposure framework	2019	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Disclosure	CCyB, Liquidity, Remuneration, Leverage ratio	2017	4	4	4	4	4	4	1	4	4	4	2	4	4	4	4	4	4	4	4
	Key metrics, IRRBB, NSFR	2018	4	4	4	4	4	4	2	4	4	4	4	4	4	4	4	4	4	4	4
	Capital composition, RWA, prudential valuation adjustments, G-SIB	2018	4	4	4	4	4	4	1	4	1	4	1	4	4	4	4	1	4	4	4
	TLAC disclosure	2019	na	na	na	4	4	4	na	na	4	3	4	4	na	na	4	na	4	4	4
	Market risk	2023	1	1	1	4	4	4	1	4	4	4	1	4	4	4	4	1	3	2	3
	Key metrics, RWA overview, leverage ratio, credit risk, operational risk, modelled and standardised RWA comparison	2023	1	4	4	4	4	4	2	3	4	4	2	4	4	4	4	1	3	2	4

The BCBS assigns number codes to each of these 29 standards as follows: **1** = draft regulation that is not published; **2** = published draft regulation; **3** = final rule that is published, but not yet implemented by banks; **4** = final rule in force, being both published and implemented by banks, and * = implementation status mixed (please refer to the progress monitoring report).

Table 1 shows the BCBS implementation status (per the October 2025 report). https://www.bis.org/bcbs/implementation/rcap_reports.htm

GFRTCI Data and Data Adjustments

In a first step toward calculating the GFRTCI, the scales of the seven different components are adjusted to a common scale, from 0 to 100, as shown in Table 2. The original scales, and the adjustments made, are as follows:

- **BCBS Progress Reports on the Adoption of the Basel Regulatory Framework:**
 - The BCBS quantifies each of its 29 standards as 1, 2, 3, or 4.
 - All 29 scores for an individual country are added together, which results in a raw score of between 29 and 116.
 - The country's raw score is then normalized to a scale from 0 to 100.
- **Exchange of Information on Request (EOIR) Rating:**
 - The EOIR quantifies each country as either 1, 2, 3, or 4.
 - The EOIR score is normalized to a scale from 0 to 100.
- **Basel Anti-Money-Laundering Index (AML):**
 - The AML quantifies each country on a scale from 2 to 9.
 - The AML score is normalized to a scale from 0 to 100.
 - The normalized score is then reversed (100-X), so that a higher score stands for a lower risk.
- **The Economist Intelligence Unit's Democracy Index (EIU DI):**
 - The EIU DI quantifies each country on a scale from 0 to 10.
 - The EIU DI score is normalized to a scale from 0 to 100.
- **Corruption Perceptions Index (CPI):**
 - The CPI quantifies each country on a scale from 0 to 100.
 - No adjustment is needed for the CPI score.
- **Heritage Foundation Business Freedom Index (HF BF):**
 - The HF BF quantifies each country on a scale from 0 to 100.
 - No adjustment is needed for the HF BF score.
- **Heritage Foundation Judicial Effectiveness Index (HF JE):**
 - The HF JE quantifies each country on a scale from 0 to 100.
 - No adjustment is needed for the HF JE score.

Table 2 shows the raw data for the seven components of the 2026 GFRTCI, including averages and standard deviations from 2020 to 2026.

Table 2: Data and Statistics for the Seven Components of the GFRTCI

List of Countries	BCBS	EOIR	AML	EIU DI	CPI	HF BF	HF JE
Australia	106	3	4.1	8.8	76	92.3	96.3
Austria	114	3	4.3	8.4	69	78.7	94.8
Belgium	114	4	4.5	7.8	69	82.5	91.6
Canada	116	3	4.6	9.1	75	84.2	96.0
Czech Republic	114	3	3.8	8.2	59	76.8	92.1
Denmark	114	3	3.2	9.4	89	90.4	89.3
Estonia	114	4	3.3	8.1	76	82.8	92.4
Finland	114	3	3.0	9.4	88	85.3	96.4
France	114	4	4.0	8.1	66	78.4	84.7
Germany	114	3	5.0	8.7	77	79.8	94.6
Greece	114	3	4.0	8.1	50	77.8	68.0
Hungary	114	3	5.2	6.6	40	70.8	61.9
Ireland	114	4	4.4	9.3	76	85.5	95.4
Italy	114	4	4.8	7.6	53	74.5	80.9
Japan	110	3	4.7	8.8	71	77.8	97.9
Korea (South)	107	3	4.5	7.8	63	81.5	77.5
Latvia	114	3	4.0	7.7	60	80.7	70.9
Lithuania	114	3	4.0	7.5	65	84.2	73.2
Luxembourg	114	3	4.0	9.1	78	89.5	99.1
Mexico	80	3	5.5	5.4	27	67.0	40.4
Netherlands	114	3	4.5	8.9	78	85.0	96.1
Poland	114	3	4.5	7.7	53	77.5	62.5
Portugal	114	4	3.8	8.3	56	83.1	90.1
Slovak Republic	114	3	4.4	6.9	48	71.1	70.5
Slovenia	114	3	3.5	7.8	58	78.7	91.6
Spain	114	3	4.2	8.2	55	82.6	74.3
Sweden	114	3	3.5	9.3	80	84.8	95.6
Switzerland	116	3	4.5	9.3	80	86.3	98.3
Turkey	82	3	5.7	4.3	31	61.6	23.5
United Kingdom	108	3	4.0	8.3	70	83.6	83.1
United States	95	3	4.8	7.7	64	88.6	76.4
Average 2026	110.6	3.2	4.3	8.1	64.5	80.8	82.4
Std Dev 2026	8.9	0.4	0.6	1.1	15.2	6.8	17.7
Average 2025	109.8	3.2	4.2	8.0	64.8	82.2	82.2
Std Dev 2025	7.6	0.4	0.6	1.1	15.2	6.7	18.0
Average 2024	106.3	3.2	4.0	8.0	66.0	79.1	81.3
Std Dev 2024	7.3	0.4	0.6	1.1	14.6	6.4	17.6
Average 2023	72.4	3.3	4.0	8.0	66.2	81.1	82.2
Std Dev 2023	8.0	0.4	0.7	1.1	14.4	6.4	17.4
Average 2022	71.3	3.3	4.2	7.9	66.5	76.2	67.9
Std Dev 2022	9.8	0.5	0.7	1.1	14.7	9.4	13.0
Average 2021	63.5	3.3	4.2	8.0	66.5	76.3	64.5
Std Dev 2021	8.3	0.5	0.7	1.1	15.0	9.3	14.8
Average 2020	46.3	3.4	4.4	8.0	66.9	77.6	63.5
Std Dev 2020	7.8	0.5	0.7	1.1	15.2	8.8	15.2

GFRTCI Calculation

A central aspect of an index is the distribution of weights used in its calculation. To calculate the GFRTCI, we take two different approaches. First, the index is calculated based on assumed weights. Second, in a sensitivity analysis, the seven index components are assigned weights in 5% increments, from 0% to 100%, with the restriction that the sum of the weights must add up to 100%. All of the country scores are calculated and a country ranking is then established for each possible scenario. The frequency of how often a specific country is ranked #1 allows us to establish a list of the top-ranked countries, based on a wide range of component weights.

A. Weights, Scores, and Ranks

For subindex A (degree of regulation implementation), the assumed component weights are set as follows: BCBS = 60%; EOIR = 20%; AML = 20%. The BCBS component is given a higher weight due to the high number of subcomponents included in the BCBS progress reports (29 standards in 7 categories).

For subindex B (political environment and enforcement of regulations in general), the four index components are equally weighted at 25% each.

For the final index, the two subindices (A and B) are combined by calculating a simple arithmetic average.

Table 3 shows the final GFRTCI calculation, as well as the final rankings.

Table 3: Country Rankings Based on Subindex A, Subindex B, and Combined GFRTCI

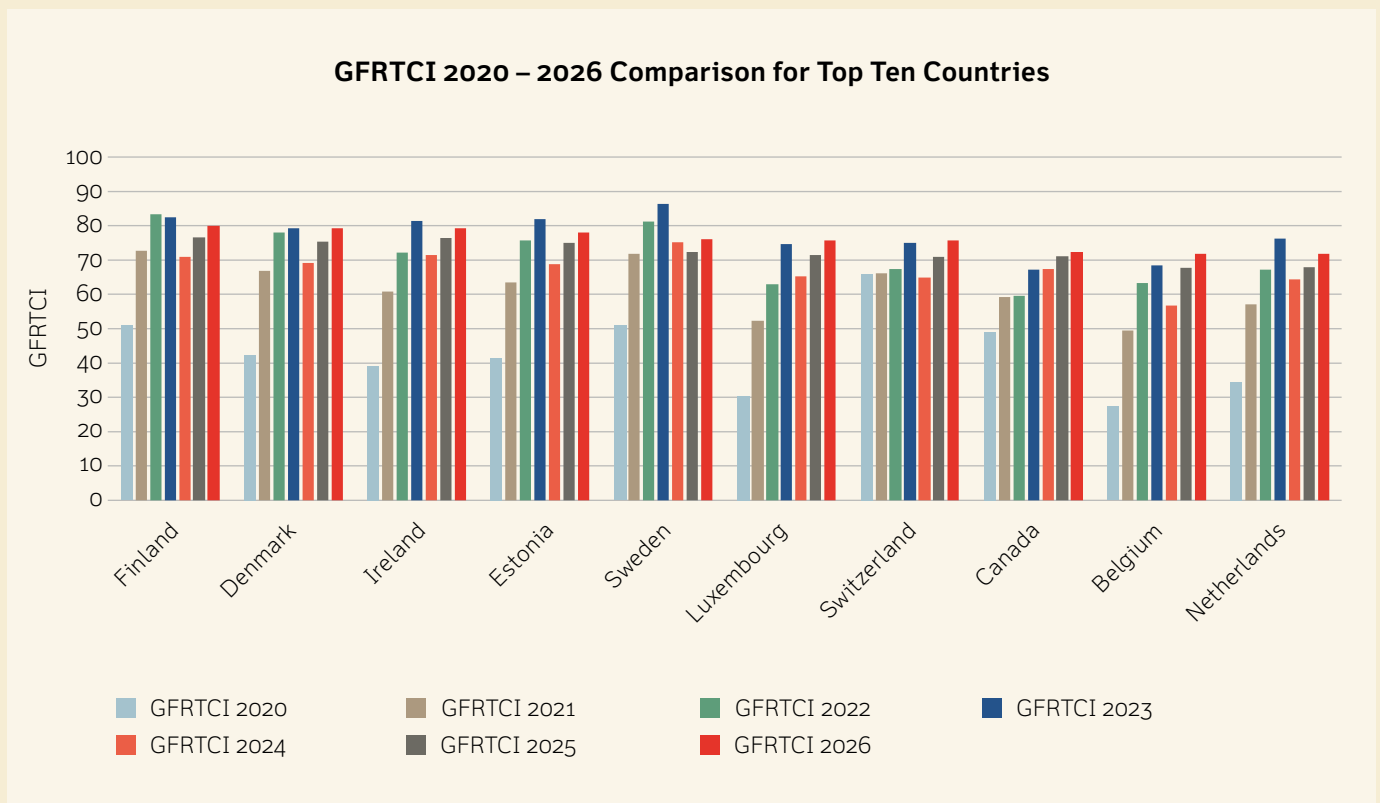
Rank / Country	Subindex A	Rank / Country	Subindex B	Rank / Country	Subindex A	Subindex B	GFRTCI	Rank 2025	Change 2025 to 2026
1 Estonia	95.0	1 Finland	90.9	1 Finland	89.0	90.9	90.0	1	0
2 Portugal	93.4	2 Denmark	90.7	2 Denmark	88.6	90.7	89.6	3	1
3 France	92.9	3 Switzerland	89.4	3 Ireland	91.8	87.5	89.6	2	-1
4 Ireland	91.8	4 Luxembourg	89.4	4 Estonia	95.0	83.1	89.0	4	0
5 Belgium	91.6	5 Sweden	88.4	5 Sweden	87.7	88.4	88.0	5	0
6 Italy	90.7	6 Australia	88.2	6 Luxembourg	86.3	89.4	87.9	6	0
7 Finland	89.0	7 Ireland	87.5	7 Switzerland	86.3	89.4	87.8	8	1
8 Denmark	88.6	8 Netherlands	87.0	8 Canada	85.9	86.6	86.2	7	-1
9 Sweden	87.7	9 Canada	86.6	9 Belgium	91.6	80.3	85.9	10	1
10 Slovenia	87.7	10 Germany	84.6	10 Netherlands	84.7	87.0	85.9	9	-1
11 Czech Republic	86.8	11 Japan	83.7	11 Portugal	93.4	78.1	85.7	12	1
12 Luxembourg	86.3	12 Estonia	83.1	12 France	92.9	77.5	85.2	11	-1
13 Switzerland	86.3	13 Austria	81.6	13 Australia	80.4	88.2	84.3	13	0
14 Greece	86.3	14 Belgium	80.3	14 Germany	83.5	84.6	84.0	14	0
15 Latvia	86.2	15 United Kingdom	79.9	15 Austria	85.4	81.6	83.5	16	1
16 Lithuania	86.2	16 Portugal	78.1	16 Japan	81.4	83.7	82.5	15	-1
17 Canada	85.9	17 France	77.5	17 Slovenia	87.7	76.6	82.1	18	1
18 Spain	85.6	18 Czech Republic	77.5	18 Czech Republic	86.8	77.5	82.1	19	1
19 Austria	85.4	19 Slovenia	76.6	19 United Kingdom	82.0	79.9	81.0	17	-2
20 Slovak Republic	85.2	20 United States	76.5	20 Italy	90.7	71.1	80.9	20	0
21 Poland	84.8	21 Korea (South)	75.0	21 Lithuania	86.2	74.4	80.3	22	1
22 Netherlands	84.7	22 Lithuania	74.4	22 Spain	85.6	73.5	79.5	23	1
23 Germany	83.5	23 Spain	73.5	23 Latvia	86.2	72.2	79.2	24	1
24 Hungary	82.9	24 Latvia	72.2	24 Greece	86.3	69.2	77.7	25	1
25 United Kingdom	82.0	25 Italy	71.1	25 Korea (South)	80.0	75.0	77.5	21	-4
26 Japan	81.4	26 Greece	69.2	26 Poland	84.8	67.5	76.2	28	2
27 Australia	80.4	27 Poland	67.5	27 Slovak Republic	85.2	64.7	74.9	27	0
28 Korea (South)	80.0	28 Slovak Republic	64.7	28 United States	70.8	76.5	73.6	26	-2
29 United States	70.8	29 Hungary	59.7	29 Hungary	82.9	59.7	71.3	29	0
30 Turkey	59.5	30 Mexico	47.1	30 Mexico	58.4	47.1	52.8	30	0
31 Mexico	58.4	31 Turkey	39.8	31 Turkey	59.5	39.8	49.6	31	0

B. Sensitivity Analysis

To see how these assumed weights for the seven index components could influence the final ranking, we perform a statistical sensitivity analysis. Each of the seven index components is reassigned weights in 5% increments, from 0% to 100%, with the restriction that the sum of all weights adds up to 100%, producing a total of 202'107 different scenarios. We then determine which country ranks #1 in each scenario. The six countries that rank #1 in at least 1% of the scenarios are the top-ranked countries in the GFRTCI.

These six countries, and the corresponding statistical distribution for rank #1, are as follows:

Country	% Country Was Ranked #1
Finland	30%
Ireland	28%
Denmark	20%
Estonia	18%
Luxembourg	2%
Switzerland	2%



Interpretation and Comments

The main findings of the 2026 GFRTCI calculations are as follows:

- Only four of the 31 countries place among the top ten when ranked by both subindex A (focusing on implementation) and subindex B (focusing on enforcement). These four countries are Denmark, Finland, Ireland, and Sweden.
- The total number of Basel III standards decreased from 30 to 29, slightly changing the BCBS component of subindex A. At the same time, there has been significant progress in the adoption of the Basel III standards. At the end of 2025, a large majority of countries showed an implementation score above 90%, with two countries, Canada and Switzerland, being fully compliant with all 29 standards.
- This progress, in terms of the adoption of the Basel III standards, has led to a higher component score and an increase in the average score of subindex A, as well as in the average GFRTCI score.
- Switzerland ranks #13 for subindex A (#26 in 2025). While it is 100% compliant with respect to the BCBS implementation, it ranks relatively lower in the AML component (which assigns Switzerland a "high risk" rating in its Financial Secrecy Index) and, to a lesser extent, the EOIR component (which assigns a ranking of "partially compliant" for "ownership and identity information"). In addition, the significant improvement in Switzerland's ranking over the last year is based on a rather small absolute change. All of the countries ranked between #10 and #28 received very similar scores for subindex A.
- The average score for subindex B barely changed between 2025 and 2026, from 77.4 (2025) to 77.1 (2026).
- Switzerland ranks #3 for subindex B (as in 2025).
- Switzerland ranks #7 in the final GFRTCI calculation (#8 in 2025), behind Finland, Denmark, Ireland, Estonia, Sweden, and Luxembourg.

A comparison of the 2025 and 2026 GFRTCI reveals the following:

- Based on the raw data shown in Table 2, there have been only minor changes in six of the seven components of the index: EOIR, AML, EIU DI, CPI, HF BF, and HF JE.
- As mentioned above, some changes occurred within the BCBS index component. An older standard was removed, and most countries showed clear progress in their implementation of the Basel III rules.
- With the exception of developments related to the BCBS framework, progress in the implementation and enforcement of financial regulation, transparency, and compliance standards appears to have considerably slowed down.
- Five countries ranked among the top ten in 2020, 2021, 2022, 2023, 2024, and 2025, as well as in 2026: Denmark, Estonia, Finland, Sweden, and Switzerland.

The banking sector continues to be important in most countries. Tracking and documenting developments in the areas of regulation, transparency, and compliance can help policymakers further develop regulatory frameworks and find a desirable balance between business freedom and strict regulation.

Swiss Finance Institute

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