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**Swiss Finance Institute (SFI) updates its global regulatory index—EU makes great progress in implementing Basel III framework—Switzerland continues to be ranked among top tier**

**The Swiss financial center continues to live up to its excellent international reputation in regulatory matters. This is just one finding from a survey carried out by the Swiss Finance Institute (SFI). The survey—in its second edition, having been first published in 2020—compares 31 countries in order to create a regulatory index. Switzerland ranks fourth, just behind Finland, Sweden, and Denmark.**

Zurich, March 17, 2021—Global financial centers are facing fierce competition, and size is no longer a convincing unique selling point. Consistent financial regulation with up-to-date transparency and compliance requirements have become of paramount importance. Various factors play a decisive role in this regard, including the general political and regulatory environment of a country, the structure and efficiency of corporate governance, the scope and quality of services provided by financial institutions, and the security of banking institutions and their regulation, as well as strict requirements to effectively fight corruption, money laundering, and terrorist financing. However, the associated reputational gains of an efficiently regulated financial center are also offset by considerable costs, as financial institutions are forced to significantly expand their risk management and compliance capacities.

"The Global Financial Regulation, Transparency, and Compliance Index [GFRTCI]—as the index is called—provides a meaningful analysis of the strengths and weaknesses of various countries in terms of their regulatory standards, and allows direct comparison with the current regulatory framework of the Swiss financial center," explains Swiss Finance Institute Adjunct Professor Alfred Mettler of the University of Miami. He is part of the core team of the index's architects together with Swiss Finance Institute professors Steven Ongena and Christoph Basten from the University of Zurich.

"It is particularly gratifying to see that the Swiss financial center continues to live up to its reputation in terms of regulatory excellence," notes Professor Steven Ongena. "Seven countries ranked in the top ten in both 2020 and 2021: Finland, Sweden, Denmark, Switzerland, Estonia, the United Kingdom, and Canada," adds Professor Christoph Basten.

Dr. Markus P.H. Bürgi, CFO of the Swiss Finance Institute, elaborates: "Based on the data available, we identified only minor changes in six of the seven index components. The corresponding average values were more or less unchanged compared to the same period last year. It has, however, become apparent that the EU has made great progress in implementing the Basel III framework."

The regulatory index, which is updated annually, creates transparency in the regulatory jungle and supports policy makers in devising the regulatory design of financial centers. The Index and the specific findings will be presented during a webinar on 17 March 2021. Details of the webinar, and the GFRTCI SFI Public Discussion Note, can be found at: [www.sfi.ch/gfrci2021](http://www.sfi.ch/gfrci2021).

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**Swiss Finance Institute**

The Swiss Finance Institute (SFI) is the national center for fundamental research, doctoral training, knowledge exchange, and continuing education in the fields of banking and finance. SFI's mission is to grow knowledge capital for the Swiss financial marketplace. Created in 2006 as a public–private partnership, SFI is a common initiative of the Swiss finance industry, leading Swiss universities, and the Swiss Confederation. For further information about the Swiss Finance Institute, please visit [www.swissfinanceinstitute.ch](http://www.swissfinanceinstitute.ch).