

Newsletter

Two new licences proposed for the Swiss financial market



Author

Prof. Dr. Cornelia Stengel

Attorney-at-law, Partner

Contacts at our locations:

Bern

Patric Brand

Basel

Emanuel Dettwiler, Kevin MacCabe

Lausanne

Frédéric RoCHAT

Zurich

Cornelia Stengel, Luca Bianchi, Lea Ruckstuhl, Jessica Sommer, Gaspare Loderer, Magdalena Boškić, Manuel Brogli, Jonas Tresch, Thomas Weber

22 October 2025 – The Federal Council is submitting a proposal to amend the Financial Institutions Act for consultation, proposing two new types of licences: A licence for payment instrument institutions and one for crypto institutions. Below we provide a brief overview and initial assessment.

Payment instrument institutions

Services and products primarily in the area of payment transactions, including the acceptance of customer funds and the issuance and storage of certain stablecoins, known as „stable crypto-based means of payment“.

The Federal Council proposes to further develop the „FinTech licence“ introduced in the Banking Act in 2021 and to transfer it to the new licence category „payment instrument institution“ in the Financial Institutions Act (FinIA).

The licensing requirements and activities of a payment instrument institution are based on those of the FinTech licence. In particular, the following key parameters are to remain unchanged:

- Commercial **acceptance of funds**.
- **No interest** payment on the funds received, and their **investment is limited** to certain low-risk assets (sight deposits with the SNB, sight deposits with a bank, or HQLA). Negative interest, however, may be deducted.
- Services primarily in the area of **payment services**.

However, a number of significant changes are also proposed with a view to improving customer protection and attractiveness:

- The new term „**customer funds**“ is proposed for funds accepted by payment instrument institutions. This is to be distinguished from the term „pu-

blic deposits“, whereby the difference lies primarily in the fact that customer funds may only be accepted by payment instrument institutions and should be separable in the event of bankruptcy, while the acceptance of public deposits subject to deposit protection should remain reserved for banks. The Federal Council intends to provide for exceptions to the term „customer funds“ in the same way as it does for the term „public deposits“.

- There should be **no upper limit on the acceptance of customer funds**, i.e. the previous limit of CHF 100 million for FinTech licences will no longer apply. This adjustment is being made against the backdrop of a desire to substantially strengthen customer protection, in particular through the separation of customer funds in the event of bankruptcy, progressive capital adequacy requirements and regulations on restructuring and resolution plans, as well as with a view to economic freedom and enabling healthy growth of individual payment instrument institutions. This is also particularly relevant in view of the possibility that a payment instrument institution could issue certain stablecoins without limitation, as comparable international stablecoins have a circulation volume of over CHF 50 billion.
- **No classification within the FinIA authorisation cascade**, i.e., no other type of financial institution may carry out activities as a payment instrument institution (including the issuance of certain stablecoins) without obtaining the corresponding licence. The objective is, among other things, to ensure a clear separation between banking activities and activities as a payment instrument institution, thereby preventing any commingling of client funds and public deposits. This provision does not affect the existing activities of banks (acceptance of public deposits and payment transactions). However, if banks intend to issue stable crypto-based means of payment, they must establish a separate legal entity and obtain the appropriate authorization as a payment instrument institution.

- **Issuance and storage of a specific type of stablecoin, known as „stable crypto-based means of payment“.** This term applies exclusively to stablecoins that meet specific conditions: they must be issued in Switzerland, their value must be pegged to a single fiat currency issued by a sovereign state (as opposed to a basket of currencies), their value must be kept stable, and the issuer is obliged to redeem the stablecoins' value for the holder. Stablecoins that do not meet these requirements cannot be classified as „stable crypto-based means of payment“. Instead, they would generally fall under the category of financial instruments, such as collective investment schemes, or would qualify as newly defined „crypto-based assets designed for trading purposes“.

Existing „fintech institutions“ are not required to apply for a new licence from FINMA but must comply with the new requirements for payment instrument institutions within one year of the new regulation coming into force.

Crypto institutions

Services and products primarily in the area of trading „crypto-based assets with a trading character“, including custody of „stable crypto-based means of payment“.

*The „crypto institution“ proposed by the Federal Council provides various services involving so-called „crypto-based assets of a commercial nature“. Specifically, this would include custody, **staking, customer trading**, and short-term proprietary trading (including **crypto exchange**). Crypto institutions should also be able to hold „stable crypto-based means of payment“. As part of their trading activities, crypto institutions may maintain customer accounts and accept public deposits.*

However, crypto institutions should not engage in uncovered trading transactions. Business models that involve on-balance-sheet risks (lending, margin accounts,

proprietary trading with derivatives, short selling, etc.) would require a securities firm or banking licence.

„Crypto-based assets of a trading nature“ are not issued by a central bank or a state and (to simplify somewhat) do not constitute utility tokens within the meaning of current FINMA practice, nor do they constitute financial instruments or stablecoins within the meaning of „stable crypto-based means of payment“, nor do they qualify as deposits under banking law. The definition is intended to cover „classic“ cryptocurrencies (e.g. **Bitcoin, Ether**) as well as stablecoins that do not meet the requirements for „stable crypto-based means of payment“ (e.g. **foreign stablecoins**).

Current FINMA practice	Consultation proposal
Payment tokens 	"Stable crypto-based means of payment" (certain Swiss stablecoins). "Crypto-based assets with a trading character" (Bitcoin, Ether, certain foreign stablecoins, etc.).
Investment tokens 	No change; the established FINMA practice applies, according to which investment tokens qualify as securities, with corresponding consequences under financial market law.
Utility tokens 	No change; established FINMA practice applies: utility tokens do not qualify as securities if they exclusively grant access to a digital use or service. If they (also) have an economic function as an investment, they qualify as securities (such as investment tokens).

The requirements for crypto institutions are to be aligned with those for securities firms, whereby the detailed regulations at ordinance level should take particular account of the fact that crypto institutions do not offer services involving securities or other financial instruments, which is why the regulations should be less comprehensive. However, special rules are to apply to custody, similar to those currently provided for in the Banking Act and the Banking Ordinance for crypto-based assets.

Anti-money laundering

Payment instrument institutions and crypto institutions should be considered financial intermediaries within the meaning of **the Anti-Money Laundering Act (AMLA)**. Consequently, FINMA will be responsible for supervising compliance with the relevant obligations for both new licence categories.

For institutions that already carry out activities subject to the AMLA with crypto-based assets and are affiliated with a self-regulatory organisation (SRO) for this purpose, the Federal Council's proposal would see a change in supervision to FINMA.

For the issuance of certain stablecoins, namely „stable crypto-based means of payment“, the AMLA due diligence obligations are to be clarified, with special rules being proposed for the secondary market, but without adopting FINMA's restrictive supervisory practice. Risk-based measures such as **blacklisting** or **monitoring** are proposed, as well as the implementation of **options for blocking, freezing and withdrawing** „stable crypto-based means of payment“.

Kellerhals Carrard's Banking, Finance & Fintech team studied the draft in great detail and is available to assist affected players in the Swiss financial market in clarifying the possible implications. The consultation period runs until 6 February 2026.

Author

Prof. Dr. Cornelia Stengel

Attorney-at-law, Partner

Contacts at our locations:

Bern

Patric Brand

Basel

Emanuel Dettwiler, Kevin MacCabe

Lausanne

Frédéric Rochat

Zurich

Cornelia Stengel, Luca Bianchi, Lea Ruckstuhl, Jessica Sommer, Gaspare Loderer, Magdalena Boškić, Manuel Brogli, Jonas Tresch, Thomas Weber