

Switzerland's first crypto banks receive licences

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The world of crypto assets is forecast to explode in the coming years, moving on a long way from the cryptocurrency bitcoin.

The Swiss financial regulator has awarded banking and securities dealer licences to two new “crypto banks”. SEBA and Sygnum have been cleared to operate in the new world of tokenised digital securities, a major milestone for the fledging industry.

At the same time, the Swiss Financial Market Supervisory Authority (FINMA) [issued rules on how to apply anti-money laundering regulations to the bank](#)[external link](#) “where the inherent anonymity of blockchain technology presents increased risks”.

This restricts the transfer of tokens to people the bank knows. “FINMA-supervised institutions are thus not permitted to receive tokens from customers of other institutions or to send tokens to such customers. This practice applies as long as information about the sender and recipient cannot be transmitted reliably in the respective payment system.”

Zug-based [SEBAexternal link](#) says it will be operational in October once it fulfils "secondary criteria" demanded by FINMA. It plans to offer corporate and asset management services for the new asset class.

[Sygnumexternal link](#), headquartered in Zurich, has teamed up with the German stock exchange, telecoms operator Swisscom and other partners to list and trade tokenised securities on a distributed ledger technology platform.

"Being awarded the banking and securities dealer licence from FINMA is a significant milestone, and an important step towards the institutionalisation of the digital asset economy", said Manuel Krieger, co-founder and CEO of Sygnum Switzerland.

Sygnum also has also been awarded its Swiss licenses on a conditional basis until it meets "secondary requirements" demanded by FINMA. It has also applied for a capital markets services licence in Singapore.

The Swiss financial centre has for the last couple of years been gearing up to provide a blockchain-based infrastructure to trade the new digital assets. The Swiss stock exchange operator SIX plans to launch a new platform next year while several start-ups have also sprung up in Switzerland.