

Press release

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FINMA revises Circular on “Video and online identification”

The Swiss Financial Market Supervisory Authority FINMA is amending the due diligence requirements for client onboarding via digital channels to take account of technological developments. To this end it is revising the Circular on “Video and online identification” and holding a consultation up to 1 February 2021.

There have been further technological advances since FINMA Circular 2016/7 “Video and online identification” entered into force. The partial revision of the Circular takes account of these developments, so that the ability to innovate, technology neutrality and effective combating of money laundering can continue to be guaranteed. FINMA is holding a consultation up to 1 February 2021.

Specifically, financial intermediaries should be enabled to automate their identification processes further while maintaining at least the same security level and to improve their scaling. Therefore, an additional possibility for online identification is now available to the financial intermediaries, namely scanning the client’s biometric passport chip. The need for accompanying security requirements such as a bank transfer or scanning of the biometric information document chip is essentially upheld, however, so that the security level of digital onboarding remains the same. They take in particular into account the fact that the inhibition threshold for attempting abuse can be lower in the digital environment due to the lack of personal contact than with in-person identification.