

Legislative and Regulatory Updates for 2026

Borel & Barbey would like to draw your attention to the main legislative changes applicable from 2026 onwards in the areas of Banking & Finance, Corporate – M&A, Private Clients, Tax, Litigation & Arbitration, Real Estate, and Employment Law.

BANKING & FINANCE

BFSA between Switzerland and the United Kingdom

The Bern Financial Services Agreement (BFSA) between Switzerland and the United Kingdom is scheduled to enter into force on 1 January 2026 and establish a mutual recognition regime facilitating the cross-border provision of financial services between the two financial centres.

Nature-related financial risks

The new FINMA Circular 2026/1 on nature-related financial risks will enter into force on 1 January 2026 and will require the systematic integration of climate and environmental risks into the governance and risk management processes of banks and insurance companies, with a phased approach depending on their prudential category.

Revision of the Anti-Money Laundering Act (AMLA)

A revision of the Anti-Money Laundering Act (AMLA) is expected to come into force in the second half of 2026. This revision creates a new category of regulated entities: advisers, defined as persons who, on a professional basis, participate on behalf of third parties in financial transactions related to certain legal operations, in particular real estate transactions or transactions related to the creation, management or domiciliation of non-operational legal entities (e.g., legal advisors). This extension aims to subject these activities to due diligence, documentation and affiliation with a self-regulatory organization (SRO), in order to strengthen the prevention of money laundering and terrorism financing also in the non-financial sector in accordance with FATF standards.

CORPORATE – M&A

Entry into force of the Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners (LETA)

The Federal Act on the Transparency of Legal Entities and the Identification of Beneficial (LETA) will come into force in the second half of 2026 and will introduce a centralised federal register of beneficial owners of legal entities. This register aims to enhance corporate transparency and bring Switzerland into line with FATF Recommendation 24. It will apply in particular to unlisted public limited companies, limited liability companies, partnerships limited by shares, cooperatives, investment companies with variable or fixed capital (SICAV and SICAF) and limited partnerships for collective investment (SCmPC) as well as foreign entities with a presence or activities in Switzerland. Companies will be required to identify, verify, document and update information relating to their beneficial owners and then report it to the register within strict deadlines.

PRIVATE CLIENTS

Application of the new LETA to trustees

The Federal Act on the Transparency of Legal Entities and the Identification of Beneficial Owners (LETA) will apply in particular to trustees whose registered office is in Switzerland or who administer foreign trusts from Switzerland (unless they are subject to the AMLA). They will be required to identify the beneficial owners of the trusts they administer, including its settlor, trustee, protector, beneficiaries, and any person who directly or indirectly controls the trust. Unlike the regime applicable to legal entities, this information will be kept by the trustee and will not be entered in the federal register. Foundations and associations will not be subject to the LETA.

PRIVATE CLIENTS *(continued)***Immigration**

- Since 12 October 2025, the Entry/Exit System (EES), dedicated to the management of the external borders of the Schengen area, has been in place in Switzerland. Its gradual implementation should be completed in April 2026.
- In the last quarter of 2026, the European Travel Information and Authorisation System (ETIAS) will come into force, which will mean that nationals of countries currently exempt from visa requirements will have to obtain ETIAS authorisation before travelling to the Schengen area, including Switzerland.

Enhancing Geneva's attractiveness for philanthropy

The Geneva Cantonal Tax Administration has recently updated its practice regarding tax exemptions for associations and foundations pursuing a purpose of public interest. This update clarifies several key points, while reaffirming the canton's commitment to providing pragmatic and transparent support to actors in the social and solidarity economy. It sends a positive signal to Geneva's philanthropic sector, which now benefits from a clearer framework that is better suited to current realities. For example, it is now expressly provided that foundations and associations may use entrepreneurial financing (impact investing) and compensate members of their boards or committees for the performance of certain extraordinary tasks.

TAX**Remote work**

- An addendum to the French-Swiss tax treaty, which perpetuates the provisional agreements concluded during the COVID period with regard to remote work, will come into force on 1 January 2026. In particular, it provides that activities carried out remotely from the employee's country of residence on behalf of an employer located in the other contracting state are deemed to have been carried out for that employer in that other state, up to a limit of 40% of working time per calendar year.
- The Federal Act on the International Automatic Exchange of Information on Salary Data (LEADS) is also expected to come into force in 2026. This law contains rules for the implementation, in terms of procedure and the rights and obligations of the parties concerned, of the automatic exchange of information provided for in the addendum to the French-Swiss tax treaty, but also in other existing or future international agreements providing for the exchange of information on salary data (in particular an agreement with Italy on the taxation of cross-border workers).

Implementation of CRS 2.0

From 1 January 2026, Switzerland will implement CRS 2.0 and include crypto-assets in the automatic exchange of information through the adoption of the Crypto-Asset Reporting Framework (CARF), imposing new tax due diligence and reporting obligations on financial institutions, with the first exchange scheduled for 2027.

LITIGATION & ARBITRATION**New criminal law on stalking**

From 1 January 2026, Switzerland will finally adopt a specific criminal law provision to punish obsessive harassment, or 'stalking'. Until now, such behaviour has been prosecuted under various provisions of the Criminal Code, which have proved ill-suited to the reality of this rapidly growing phenomenon, particularly through social media. The new provision targets intentional and repeated behaviour, such as following, incessant messaging, cyberbullying or targeted surveillance, when it causes the victim to fear for their safety. Perpetrators will face a custodial sentence of up to three years or a financial penalty. This reform is a major step forward in protecting victims, who will still have to file a complaint in order to initiate criminal proceedings.

REAL ESTATE

Revision of the Code of Obligations

From 1 January 2026, the liability regime arising from works contracts will be amended. A works contract relating to construction may no longer exclude the client's right to demand repair of defects in the work (Art. 368 para. 2bis CO). Furthermore, in the case of real estate, the deadline for reporting defects will be 60 days from the discovery of the problem. This rule also applies to architect's and engineer's plans (Art. 367 para. 1bis CO). Finally, these rules will also apply to the warranty applicable to a property sale attached to a work contract or the sale of building constructed less than two years ago (Art. 219a CO). The seller will also be required to repair any defects in the building that are eventually discovered by the purchasers. Thanks to this revision, the latter will thus enjoy rights vis-à-vis the seller similar to those enjoyed by the customer vis-à-vis the contractor. This aspect will have to be taken into account in the context of property developments, particularly those applying the 'land share/contract for work' model.

Revision of the law on the legal mortgage of craftsmen and contractors

The right of legal mortgage for craftsmen and contractors (HLAE) has also been clarified, with new provisions applicable from 1 January 2026.

As a reminder, the HLAE is an instrument that allows a contractor or craftsman to register a mortgage on a plot of land on which he has carried out work unpaid by the customer (even if the latter is not the owner of the plot). To prevent this registration, the owner of the plot of land may provide sufficient security corresponding to the amount of the unpaid work plus default interest. However, the law did not specify the period over which this interest should be calculated.

The new provisions (Art. 839 para. 3 CC in fine) thus gives concrete form to the principle established in case law and specifies that interest must be calculated over a 10 years period. The task of owners seeking to prevent their property from being encumbered with a mortgage will be made easier with regard to banks - they will now be able to obtain a bank guarantee for a known maximal amount.

Entry into force of LAT 2

Following the revision of LAT 1 (Federal law on land planning), which came into force in 2014 and imposed a clear distinction between building zones and non-building zones, the revision of LAT 2 pursues several objectives aimed at stabilising the number of buildings located outside building zones.

The revision thus introduces an obligation for cantons (i) to monitor the location and number of buildings outside building zones, but also (ii) to incorporate this stabilisation into their master plans. They will also be required to identify illegal situations and order restoration in accordance with the law, including demolition.

At the same time, the new law also stipulates that illegal constructions that have been in place for more than 30 years cannot, in principle, be subject to a demolition order.

The LAT 2 will come into force in part on 1 January 2026.

EMPLOYMENT

Taxation of Remote Working Income

The to the French-Swiss tax treaty introduces new rules for the taxation of telework income. Please refer to the Tax section for more details.

Minimum wage

As of 1 January 2026, the minimum gross wage in Geneva will be set at CHF 24.59 per hour. In addition, from summer 2026, a derogation from the minimum wage could come into force for summer jobs. At the end of October 2025, the Grand Council of the Canton of Geneva amended the law on labour inspection and relations to introduce a derogatory minimum wage for summer jobs set at 75% of the ordinary minimum wage (i.e. CHF 18.44 per hour (gross wage) in 2026). However, this amendment will be put to a popular vote on 8 March 2026.

EMPLOYMENT *(continued)*


Reporting Obligation

As of 1 January 2026, two new categories will be added to the list of professions subject to reporting obligations: cooks and maintenance workers (offices, hotels and other establishments).

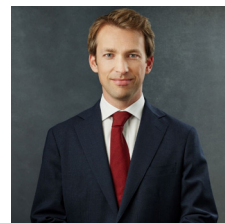
Standard Employment Contracts and Collective Bargaining Agreements

Several amendments to standard employment contracts and collective bargaining agreements will come into force on 1 January 2026.


For further information on these subjects, please do not hesitate to contact the authors or your usual contact person at Borel & Barbey. Our specialists will be pleased to assist you.



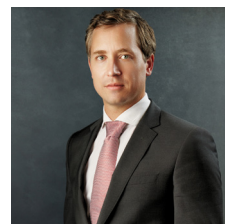
BANKING & FINANCE
Maria Oberlin-Chiriaeva
Partner
maria.oberlin@borel-barbey.ch



CORPORATE - M&A
Pierre Turrettini
Partner
pierre.turrettini@borel-barbey.ch



PRIVATE CLIENTS
Stéphanie La Roche
Partner
stephanie.laroche@borel-barbey.ch



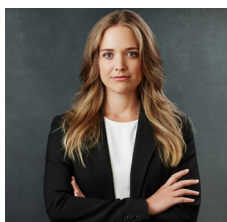
TAX
Vincent Berger
Partner
vincent.berger@borel-barbey.ch



LITIGATION & ARBITRATION
Vincent Guignet
Partner
vincent.guignet@borel-barbey.ch



REAL ESTATE
Samuel Brückner
Counsel
samuel.bruckner@borel-barbey.ch



EMPLOYMENT
Marine Geisler
Head of Employment Law
marine.geisler@borel-barbey.ch