

# Audit of risk-based supervision in the banking sector (cancelled at end of preparatory stage)

Swiss Financial Market Supervisory Authority

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## KEY POINTS

During the takeover of Credit Suisse (CS) by UBS in the first quarter of 2023, the Confederation committed to a temporary guarantee credit of up to CHF 109 billion. In light of this situation, the Swiss Federal Audit Office (SFAO) planned to carry out a supervisory audit at the Swiss Financial Market Supervisory Authority (FINMA) in 2024.

During the preparations for this audit mandate, the SFAO learned of the ongoing investigation by the Parliamentary Investigation Committee (PIC) on the authorities' management with regard to the CS emergency merger. International institutions are also performing assessments of Switzerland's banking supervision. A comprehensive evaluation of the financial sector by the International Monetary Fund (IMF), which takes place every five years, is due to start in autumn 2024. Finally, in its report on banking stability of 10 April 2024, the Federal Council acknowledged the need for action and presented a package of measures for banking supervision.

Against this background, the SFAO concluded that there was no appreciable added value to be gained from continuing the audit exercise. To avoid overlaps with other assessments, it was therefore decided not to perform the audit. The insights from the audit preparations are summarised in this report.

**Original text in French**