



Joint Scottish-Swiss Financial Services Reception

Sponsored by Telekurs Financial

Hosted by Scottish Financial Enterprise and the Swiss Embassy

Wednesday 20 September 2006

The Royal Scots Club, 30 Abercromby Place, Edinburgh

Speech given by His Excellency Ambassador Alexis P. Lautenberg

Allow me first to thank Scottish Financial Enterprise, John Campbell, its Chairman, and Amanda Harvie, its CEO, for co-hosting this remarkable event. It marks not only the importance of Scotland as second largest financial hub in the UK next to London, but – of course in a modest way – also recognizes and underlines the rising political importance of Scotland as a self conscious and self confident entity within the United Kingdom.

As we all know, the Scottish – Swiss Financial Services Reception of today is part of a series of events in the context of the opening of our new Consulate General here in Edinburgh, which happened on 18 May 2006. With the opening of this new Consulate General, the Swiss Government has set a clear sign of acknowledgement for the endeavours of the Scottish electorate and its authorities, to more actively exploit existing and future possibilities in a multi-layer governance system.

The financial sector is of utmost importance for the Scottish economy, as it is also the case for Switzerland and its financial centres in Zurich, Geneva and Basle. It is therefore natural, that we dedicate one of the opening events for our new Consulate General to the financial sector.

As we are all aware, the relations between the United Kingdom and Switzerland have – especially in the run-up to and during the difficult negotiations on the Taxation of Savings Agreement – not always been

entirely relaxed. This important Agreement has now become effective together with the respective Directive and first and considerable payments out of the savings taxation have been made by the Swiss Federal Department of Finance to the contractual partners.

The good functioning of the agreement allows us to focus our attention again more prominently on the identification of “common interests” in the rapidly growing and increasingly interlinked world of financial services.

During 2005 a number of contacts took place at the level of senior officials between the Treasury and the Swiss side. These contacts allowed us to fine-tune the “Positive Agenda” endorsed at Ministerial level on the occasion of a visit by our Swiss Finance Minister, Federal Councillor Hans-Rudolf Merz, to the Chancellor of the Exchequer, Gordon Brown, on 21 November 2005. The key elements were published with a joint statement by the two Ministries of Finance.

In essence, the “Positive Agenda” comprises three areas of common interest, namely:

- regulation and liberalization (including general issues of market access)
- financial stability and financing for development
- taxation, both domestic and international

While a part of this agenda is pursued on the official side in form of regular contacts between the relevant authorities, it is important that also the market participants of both sides make their own contribution to the process of developing converging approaches.

A first step in this direction has been undertaken on 30 June of this year on the invitation of the Lord Mayor of the City of London in the form of a City-Swiss Financial Round Table at Mansion House. That meeting resulted in a joint Declaration by the British Bankers Association and the Swiss Bankers Association.

Today’s Scottish – Swiss Financial Services Reception provides a golden opportunity to continue this dialogue of the private sector between both sides.

It is in this sense that I look forward to a stimulating and fruitful exchange of views. I would like to thank once more Scottish Financial Enterprise for making this event possible. I would equally like to thank the CEO of the Swiss Bankers Association, Urs Roth, for coming up here to Edinburgh.

I am sure that he will discover, as I personally have done so before, that Edinburgh is not only a dynamic and powerful economic centre, but an equally charming and romantic medieval capital.

Finally, let me thank Mathew Stemp from UBS for his availability to sharing some of his expertise in the banking sector with us. I am sure that he will bring us back from any philosophical temptations to a more down to earth analysis of pending questions and problems especially concerning the Mutual Fund Industry.