

Popular Initiative “BTC at the SNB”

Yves Bennaïm



Hello

Yves Bennaïm - @ZLOK



Introduction

Art. 99 Monetary Policy

1. The Confederation is responsible for money and currency; the Confederation has the exclusive right to issue coins and banknotes.
2. The Swiss National Bank, as an independent central bank, shall pursue a monetary policy that serves the overall interests of the country; it shall be administered with the cooperation and under the supervision of the Confederation.
3. The Swiss National Bank shall create sufficient currency reserves from its revenues; part of these reserves shall be held in gold.
4. A minimum of two thirds of the net profits made by the Swiss National Bank shall be allocated to the Cantons.



Background

- October 2020: Idea
- October 2021: 1st announcement
- April 2022: Presentation at SNB GA



Swiss National Bank opposed to holding bitcoin as a reserve currency

Reuters

April 29, 2022 1:54 PM GMT+2 · Updated 2 years ago



April 29th 2022



- "Buying BTC is **not a problem for us**, we can do that either directly or can buy investment products based on BTC."
- "We can arrange the technical and operative conditions relatively quickly, **when we are convinced** we must have bitcoin in our balance sheet."
- "**As of today**, we do not believe that Bitcoin meets the foreign reserve requirements, which is why we have so far decided not to carry Bitcoin on our balance sheet."

Thomas Jordan

Chairman of the Governing Board



Process

1. Preliminary examination
2. Publication in the Federal Gazette
3. Signatures collection & voters certification
4. Submission of initiative
5. Message from Federal Council and processing by Federal Assembly
6. Possible extension of parliamentary treatment (if counter-proposal)
7. Voting



Schedule

- Preparation: 4 months
- Signatures collection: 18 months
- Message from the Federal Council and processing by the Federal Assembly: 30 months
- Possible extension if counter-proposal: 12 months
- Voting: 10 (or 16) months
- Total: 5 ~ 7 years



Start

- Committee
- Preparation for preliminary examination of the Federal Chancellery
- Association (?)



Committee

- 7 to 27 people who can vote (federally)
- Legally linked to the initiative
- Removal / addition impossible when signatures start
- Names & domiciles published in Federal Gazette
- Names & domiciles on signatures lists



Why?

- Debate & public education
- Education & dialogue with the SNB
- Political debate



No, really, why?

- 1) « Then they fight you »
- 2) CBDC
- 3) SNB asset management
- 4) International impact





World Economic Forum @wef

Welcome to 2030. I own nothing, have no privacy, and life has never been better [@IdaAuken wef.ch/2hAZrLe](https://wef.ch/2hAZrLe)

“Welcome to 2030. I own nothing, have no privacy, and life has never been better.”

- Ida Auken, Member of Parliament, Denmark

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PwC > Research and insights > Financial Services > Countdown to MiCA

Countdown to MiCA
How Swiss firms need to prepare for a regulatory game changer

POSTMASTER: PLEASE POST IN A CONSPICUOUS PLACE. — JAMES A. FARLEY, Postmaster General

UNDER EXECUTIVE ORDER OF THE PRESIDENT

issued April 5, 1933

all persons are required to deliver
ON OR BEFORE MAY 1, 1933
all **GOLD COIN, GOLD BULLION, AND GOLD CERTIFICATES** now owned by them to a Federal Reserve Bank, branch or agency, or to any member bank of the Federal Reserve System.

Executive Order

FORBIDDING THE HOARDING OF GOLD COIN, GOLD BULLION AND GOLD CERTIFICATES

By virtue of the authority vested in me by Section 5(b) of the Act of October 6, 1917, as amended by Section 2 of the Act of March 9, 1933, entitled "An Act to provide relief in the existing national emergency in banking, and for other purposes", in which amendatory Act Congress declared that a serious emergency exists, I, Franklin D. Roosevelt, President of the United States of America, do declare that said national emergency still continues to exist and pursuant to said section do hereby prohibit the hoarding of gold coin, gold bullion, and gold certificates within the continental United States by individuals, partnerships, associations and corporations and hereby prescribe the following regulations for carrying out the purposes of this order:

Section 1. For the purposes of this regulation, the term "hoarding" means the withdrawal and withholding of gold coin, gold bullion or gold certificates from the recognized and customary channels of trade. The term "person" means any individual, partnership, association or corporation.

Section 2. All persons are hereby required to deliver on or before May 1, 1933, to a Federal reserve bank or a branch or agency thereof or to any member bank of the Federal Reserve System all gold coin, gold bullion and gold certificates now owned by them or coming into their ownership on or before April 28, 1933, except the following:

- (a) Such amount of gold as may be required for legitimate and customary use in industry, profession or art within a reasonable time, including gold prior to refining and stocks of gold in reasonable amounts for the usual trade requirements of owners mining and refining such gold.
- (b) Gold coin and gold certificates in an amount not exceeding in the aggregate \$100.00 belonging to any one person; and gold coins having a recognized special value to collectors of rare and unusual coins.
- (c) Gold coin and bullion earmarked or held in trust for a recognized foreign Government or foreign central bank or the Bank for International Settlements.
- (d) Gold coin and bullion licensed for other proper transactions (not involving hoarding) including gold coin and bullion imported for reexport or held pending action on applications for export licenses.

Section 3. Until otherwise ordered any person becoming the owner of any gold coin, gold bullion, or gold certificates after April 28, 1933, shall, within three days after receipt thereof, deliver the same in the manner prescribed in Section 2; unless such gold coin, gold bullion or gold certificates are held for any of the purposes specified in paragraphs (a), (b) or (c) of Section 2; or unless such gold coin or gold bullion is held for purposes specified in paragraph (d) of Section 2 and the person holding it is, with respect to such gold coin or bullion, a licensee or applicant for license pending action thereon.

Section 4. Upon receipt of gold coin, gold bullion or gold certificates delivered to it in accordance with Sections 2 or 3, the Federal reserve bank or member bank will pay therefor an equivalent amount of any other form of coin or currency coined or issued under the laws of the United States.

Section 5. Member banks shall deliver all gold coin, gold bullion and gold certificates owned or received by them (other than as exempted under the provisions of Section 2) to the Federal reserve banks of their respective districts and receive credit or payment therefor.

Section 6. The Secretary of the Treasury, out of the sum made available to the President by Section 501 of the Act of March 9, 1933, will in all proper cases pay the reasonable costs of transportation of gold coin, gold bullion or gold certificates delivered to a member bank or Federal reserve bank in accordance with Section 2, 3, or 5 hereof, including the cost of insurance, protection, and such other incidental costs as may be necessary, upon production of satisfactory evidence of such costs. Voucher forms for this purpose may be procured from Federal reserve banks.

Section 7. In cases where the delivery of gold coin, gold bullion or gold certificates by the owners thereof within the time set forth above will involve extraordinary hardship or difficulty, the Secretary of the Treasury may, in his discretion, extend the time within which such delivery must be made. Applications for such extensions must be made in writing under oath, addressed to the Secretary of the Treasury and filed with a Federal reserve bank. Each application must state the date to which the extension is desired, the amount and location of the gold coin, gold bullion and gold certificates in respect of which such application is made and the facts showing extension to be necessary to avoid extraordinary hardship or difficulty.

Section 8. The Secretary of the Treasury is hereby authorized and empowered to issue such further regulations as he may deem necessary to carry out the purposes of this order and to issue licenses thereunder, through such officers or agencies as he may designate, including licenses permitting the Federal reserve banks and member banks of the Federal Reserve System, in return for an equivalent amount of other coin, currency or credit, to deliver, earmark or hold in trust gold coin and bullion to or for persons showing the need for the same for any of the purposes specified in paragraphs (a), (c) and (d) of Section 2 of these regulations.

Section 9. Whoever willfully violates any provision of this Executive Order or of these regulations or of any rule, regulation or license issued thereunder may be fined not more than \$10,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in any such violation may be punished by a like fine, imprisonment, or both.

This order and these regulations may be modified or revoked at any time.

THE WHITE HOUSE
April 5, 1933.

FRANKLIN D. ROOSEVELT

For Further Information Consult Your Local Bank

GOLD CERTIFICATES may be identified by the words "GOLD CERTIFICATE" appearing thereon. The serial number and the Treasury seal on the face of a **GOLD CERTIFICATE** are printed in **YELLOW**. Be careful not to confuse **GOLD CERTIFICATES** with other issues which are redeemable in gold but which are not **GOLD CERTIFICATES**. Federal Reserve Notes and United States Notes are "redeemable in gold" but are not "GOLD CERTIFICATES" and are not required to be surrendered

Special attention is directed to the exceptions allowed under Section 2 of the Executive Order

CRIMINAL PENALTIES FOR VIOLATION OF EXECUTIVE ORDER
\$10,000 fine or 10 years imprisonment, or both, as provided in Section 9 of the order

W. Woodin
Secretary of the Treasury

SNB launches pilot project with central bank digital currency for financial institutions

SCHWEIZERISCHE NATIONALBANK
BANQUE NATIONALE SUISSE
BANCA NAZIONALE SVIZZERA
BANCA NAZIUNALA SVIZRA
SWISS NATIONAL BANK 

On 1 December 2023, the Swiss National Bank – together with six commercial banks – will start a pilot project with central bank digital currency for financial institutions (wholesale central bank digital currency, or wholesale CBDC) on the regulated platform of SIX Digital Exchange (SDX).

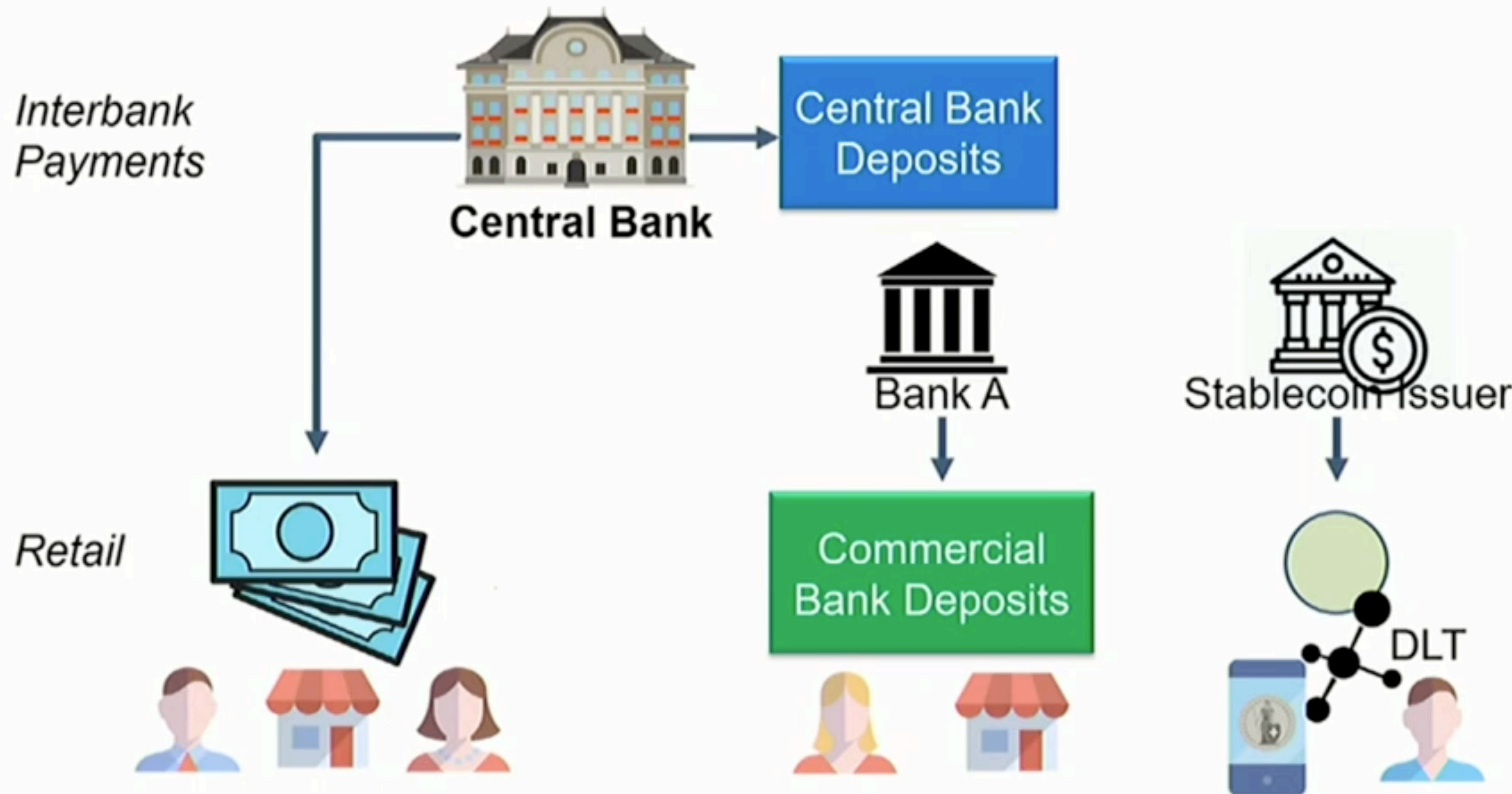
With this pilot, called Helvetia Phase III, the SNB will for the first time issue real wholesale CBDC in Swiss francs on a financial market infrastructure based on distributed ledger technology (DLT). The SNB is thus moving its work from test environments into production and is making wholesale CBDC available for the settlement of real bond transactions. The banks involved will carry out the transactions on the DLT platform as intermediaries for issuers and investors. The tokenised bonds will be settled against wholesale CBDC on a delivery-versus-payment basis.

The pilot with real Swiss franc wholesale CBDC is scheduled to run from December 2023 to June 2024.

Communications

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Zurich, 2 November 2023



Thomas Moser

Alternate Member
of the Governing
Board

October 2023

Speech

SCHWEIZERISCHE NATIONALBANK
BANQUE NATIONALE SUISSE
BANCA NAZIONALE SVIZZERA
BANCA NAZIUNALA SVIZRA
SWISS NATIONAL BANK



Swiss Payments Vision – an ecosystem for future-proof payments

Money Market Event

Andréa M. Maechler and Thomas Moser*

Member of the Governing Board / Alternate Member of the Governing Board
Swiss National Bank
Zurich, 30 March 2023
© Swiss National Bank

The SNB is examining three models for token settlement

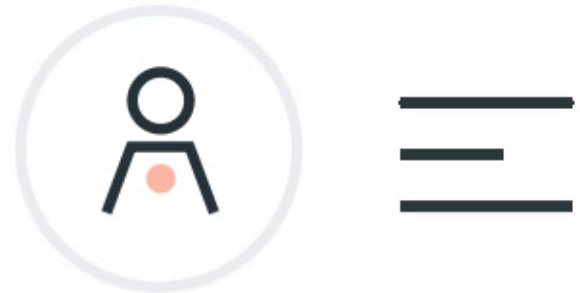
Let me now turn to the question of how token transactions could be settled in central bank money. Given the potential of DLT and tokenisation, the SNB sees the need to take a close look at secure and efficient payment settlement in a token ecosystem. We are therefore launching a project in which we are testing three models in productive payment and settlement infrastructures (cf. slide 10). To this end, we are working with regulated financial market infrastructures and other market participants.

The *first model* involves synchronised settlement (cf. slide 11). A link to the SIC system synchronises the settlement of tokenised securities with the settlement of payments. This ‘RTGS link’ was tested, together with SIX and the BIS Innovation Hub, in Phase I of Project Helvetia. Such synchronisation was shown to be technically feasible. Nevertheless, this model has significant disadvantages compared to integrated settlement, as DLT functionalities were limited. As part of the project, we are currently examining whether these disadvantages can be minimised by adjusting the SIC system or the link itself.

The *second model* involves integrated settlement, using a Swiss franc wholesale CBDC (cf. slide 12). In Phases I and II of Project Helvetia, tests of the issuance of a Swiss franc wholesale CBDC were conducted on the test environment of SIX Digital Exchange (SDX). Building on the insights gained, we intend in particular to further explore the operational basis that would enable the SNB to issue wholesale CBDC for settlement purposes if necessary in the future. As part of the project, we will issue real wholesale CBDC on SDX for a limited time and test selected transactions with market participants.

The *third model* involves integrated settlement using private Swiss franc token money that is protected under bankruptcy law (cf. slide 13). As part of the project we aim to examine ways in which private token money that is backed one-to-one by sight deposits at the SNB, can be legally structured in such a way that, in the event of the bankruptcy of the token issuer, it would have a risk profile comparable to that of central bank money.

We will be reporting on the projects and the lessons learnt in due course. At this point, let us make it clear that this work is not intended as a declaration of the SNB’s intent to issue wholesale CBDC, or indeed to offer another settlement model. Rather, the point is to act prudently and proactively so that we can continue to fulfil our mandate in the future.



NEWS 14.03.2023

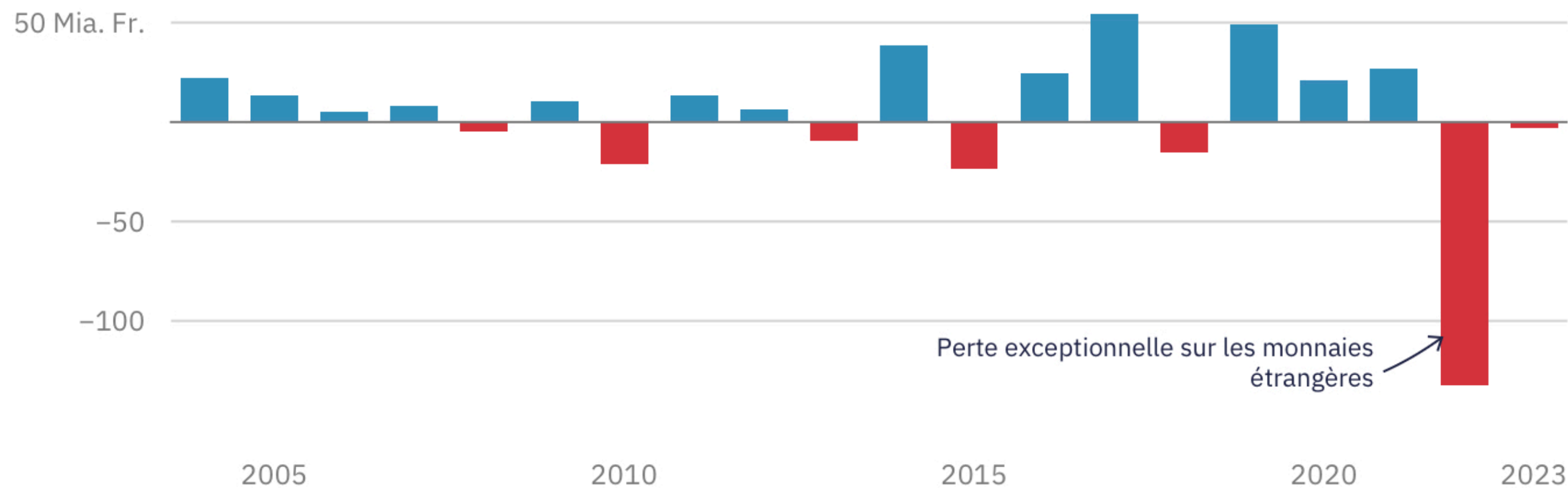
The Deposit Token: SBA white paper on a digital Swiss franc

The Swiss Bankers Association (SBA) has published a **white paper on a digital Swiss franc**, in which it outlines various designs of “tokenised” deposits on the blockchain. If issued by regulated banks, a deposit token could make an important contribution to Switzerland’s future competitiveness and innovative power, as well as bolster its sovereignty.

EUROPE ECONOMY

Swiss central bank posts biggest loss in its 116-year history

PUBLISHED MON, JAN 9 2023 8:13 AM EST



Swiss central bank posts record CHF132 billion loss for 2022

The Swiss National Bank (SNB) has posted an annual loss of CHF132 billion (\$143 billion) for 2022, the biggest in its 115-year history.

January 9, 2023 - 09:00

🕒 1 minute

It represents the biggest loss in the central bank's 116-year history and equates to roughly 18% of Switzerland's [projected](#) gross domestic product of 744.5 billion Swiss francs. Its previous record loss was 23 billion francs in 2015.

Investment Policy Guidelines

4. Non-financial aspects of managing equities and corporate bonds

“The SNB takes account of Switzerland’s fundamental standards and values in its investment policy. It does not invest in shares and bonds of companies whose products or production processes grossly violate values that are broadly accepted at a societal level. The SNB therefore does not purchase shares or bonds issued by companies that are involved in the production of internationally condemned weapons, seriously violate fundamental human rights or **systematically cause severe environmental damage**. This last category also includes companies whose **business model is primarily based on the mining of thermal coal**.”

<https://www.snb.ch/fr/the-snb/mandates-goals/investment-assets>



Company	Class	Value (\$1,000s) ▼	Change (\$1,000s)	Change (%)	Shares Held
MICROSOFT CORP	COM	9,165,274	-269,545	(2.857)	22,071,170
APPLE INC	COM	9,149,383	-318,754	(3.367)	48,887,968
NVIDIA CORPORATION	COM	5,580,147	-159,668	(2.782)	7,723,600
AMAZON COM INC	COM	5,004,271	-114,589	(2.239)	29,037,200
META PLATFORMS INC	CL A	3,258,761	-77,650	(2.327)	6,949,800
ALPHABET INC	CAP STK CL A	2,737,050	-82,115	(2.913)	18,552,500
ALPHABET INC	CAP STK CL C	2,428,106	-100,943	(3.991)	16,325,600
ELI LILLY & CO	COM	1,860,321	-53,083	(2.774)	2,523,290
BROADCOM INC	COM	1,755,520	-913,607	(34.229)	1,387,763
TESLA INC	COM	1,680,467	-45,659	(2.645)	8,932,475
BERKSHIRE HATHAWAY INC DEL	CL B NEW	1,626,795	-31,101	(1.876)	4,090,405
UNITEDHEALTH GROUP INC	COM	1,499,376	-50,780	(3.276)	2,896,561
VISA INC	COM CL A	1,382,062	-49,705	(3.472)	5,024,400
EXXON MOBIL CORP	COM	1,292,415	-58,580	(4.336)	12,527,044
MASTERCARD INCORPORATED	CL A	1,206,820	-41,788	(3.347)	2,630,900
(...)					
ADVANCED MICRO DEVICES INC	COM	868,537	-21,919	(2.461)	5,052,275
CHEVRON CORP NEW	COM	862,801	-24,683	(2.781)	5,673,335
WALMART INC	COM	788,336	-22,939	(2.828)	4,629,100
NETFLIX INC	COM	773,069	-24,601	(3.084)	1,385,800

Japon : un thon de plus de 270 kg vendu au prix record de 2,7 millions d'euros

Il a été vendu au patron de la chaîne de restaurants Sushi Zanmai.

Un thon rouge géant acheté 1,5 million d'euros aux enchères

Il paie 1,7 million de francs pour un thon géant

Un poisson pesant 276 kilogrammes a été acheté dimanche à Toyko pour un prix record par «le roi du thon», un homme d'affaires japonais spécialisé

The New York Times

Japan's 'King of Tuna' Pays Record \$3 Million for Bluefin at New Tokyo Fish Market

木村清

モーニング 40周年インタビュー

13



Tuna sells for record \$3 million in auction at Tokyo's new fish market

Japon : Un homme d'affaires achète un énorme thon rouge aux enchères pour 1,5 million d'euros

Swiss National Bank **NOT** opposed to holding bitcoin as a reserve currency

Reuters

April 29, 2022 1:54 PM GMT+2 · Updated 2 years ago



What now?

- initiativeBTC.ch
- Twitter: @initiativeBTC & @ZLOK
- Telegram: @initiativeBTC
- survey.initiativebtc.ch



Thank you

Questions ?

