



Swiss SRO for Crypto Businesses

Swiss **Self-Regulatory Organization** SRO Membership
As a **Smarter Alternative** to European CASP under MiCA.

In 3 Months.

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Table of Contents

Introduction	3
MiCA vs. Swiss SRO	4
What is SRO and why it does work?	5
Crypto activities under SRO	6
How to register under SRO	7
Obligations under SRO	9
The Zug tax advantage	10
Serving EU and global clients	11
About BMP Global	12
Our Services	12
Glossary of terms	13
Contact	15

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Introduction

Why Crypto Companies Choose Zug and the Swiss Self-Regulatory Model for Faster, Simpler, and More Credible Market Entry

Who Should Read This?

If you are:

- **A crypto exchange, wallet provider, custody service, or payment processor** looking for a reputable European entry point,
- **A startup founder or legal/compliance officer** trying to balance regulation, cost, and speed,
- Or a **fintech project investor** interested in building in a crypto-friendly yet credible jurisdiction,

...then this article is written for you.

Switzerland, and particularly the canton of Zug, has become a global hub for blockchain and cryptocurrency projects. But unlike the European Union, which now requires crypto asset service providers (CASPs) to comply with the heavy MiCA regime, Switzerland offers a **leaner, faster, and more cost-efficient path**: membership in a **Self-Regulatory Organization (SRO)**.

The European Union has taken a bold step in introducing MiCA - the Markets in Crypto-Assets Regulation. On paper, MiCA offers clarity and a unified set of rules for crypto companies across all EU member states. But anyone who has looked into the actual process of obtaining a MiCA license knows that this clarity comes with a heavy price: long authorization timelines, complex

application procedures, and compliance requirements that resemble those of traditional financial institutions. Even for companies with strong capital backing, the burden is significant. For smaller players or those looking to test innovative business models, it can be prohibitive.

Switzerland offers a different way. Here, the regulatory landscape is layered: at the top end are full banking or fintech licenses issued and monitored directly by FINMA, the national financial regulator. But most crypto businesses - exchanges, payment providers, custodians - don't need that level of licensing. Instead, they can operate under Switzerland's Anti-Money Laundering Act by joining a **Self-Regulatory Organization (SRO)**. This route gives companies legal credibility and access to the Swiss and global markets, while avoiding the cost and complexity of full prudential licensing.

The result is a framework that combines speed, cost-efficiency, and the prestige of Swiss oversight. For many, it has been a game-changer: enabling startups to launch within few months instead of years and giving established businesses the breathing room to scale without being paralyzed by bureaucracy.

Let's explore what that means and why so many crypto companies choose this path.



MiCA vs. Swiss SRO

The European Union's **Markets in Crypto-Assets Regulation (MiCA)** represents a landmark step in creating a unified regulatory framework for digital assets across the EU. It introduces a single licensing regime for crypto-asset service providers (CASPs), designed to bring legal certainty and consumer protection.

However, this clarity comes at a cost.

Obtaining a MiCA license is neither quick nor simple. The authorization process can stretch up to 12 months or more, involving multiple regulatory interactions and detailed documentation. Legal, consulting, and operational costs can easily reach several hundred thousand euros, which can be prohibitive for smaller operators. On top of this, MiCA applies full prudential and conduct requirements regardless of the size or complexity of the business, making it particularly burdensome for startups and early-stage companies.

For many emerging crypto firms, this creates a serious challenge: capital is tied up, market entry is delayed, and valuable momentum is lost.



“With MiCA, we’d have been grounded for two years. In Zug, we launched in four months...”

Crypto company founder

The Swiss Alternative.

Switzerland takes a **more pragmatic, two-tiered approach.**

- If you hold client deposits above CHF 1 million or provide bank-like services, you must obtain a FINMA license (banking or fintech). These entities typically require higher share capital (CHF 300,000 and above) and are subject to prudential oversight.
- But for many crypto businesses — exchanges, payment services, custodians — full licensing isn't required. Instead, you can operate as a financial intermediary under the Swiss Anti-Money Laundering Act (AMLA) by joining a Self-Regulatory Organization (SRO).

Under the MiCA framework, share capital requirements vary by class of crypto-asset service provider: typically €125,000 for Class II and up to €150,000 for trading platforms offering more complex services. These amounts must be maintained in addition to meeting strict prudential and conduct rules, creating a significant financial entry barrier for startups.

By comparison, **Swiss SRO-supervised entities** can operate with a much lighter structure: **CHF 20,000 for a GmbH** or **CHF 100,000 for an AG (with CHF 50,000 paid-in)**. Notably, in **Canton Zug**, this share capital can be contributed **fully or partially in cryptocurrency**. Combined with the absence of full prudential supervision, this makes Switzerland's SRO regime far more accessible for early-stage and mid-sized crypto businesses.



What is SRO and why it does work?

A **Self-Regulatory Organization (SRO)** is a **private supervisory body** recognized by **FINMA** (Swiss Financial Market Supervisory Authority).

Instead of direct oversight by FINMA, crypto companies become members of an SRO, which enforces anti-money laundering (AML) compliance. FINMA supervises the SROs themselves, meaning you still operate within the Swiss regulatory perimeter without becoming a fully licensed financial institution.

Why this matters:

- **Reduced regulatory burden:** SROs focus on AML/CFT (anti-money laundering / counter-terrorist financing) obligations, not banking-style prudential rules.
- **Guided compliance:** SROs provide templates, training, and practical advice.
- **Swiss reputation:** Membership signals to partners and clients that you operate under Swiss-grade standards, which often opens banking and institutional doors.

This hybrid model - **private oversight with public backing** – is exactly why & how Switzerland's "Crypto Valley" has attracted over 1,000 blockchain and fintech companies.

History and Overview

Switzerland's self-regulatory organizations (SROs) trace their roots back to the introduction

of its Anti-Money Laundering Act (AMLA), first adopted in 1996 and enforced from 1997, which mandated that unlicensed financial intermediaries (**including crypto firms**) must affiliate with a recognized oversight body. The concept of SROs evolved over time from industry associations that voluntarily enforced AML duties into formally recognized entities under FINMA's supervision. Since the overhaul of Swiss financial supervision in 2007 (when FINMA was established), SROs have become the official mechanism by which many non-bank intermediaries comply with AML requirements.

As of mid-2025, Switzerland has **11 FINMA-recognized SROs**, each entrusted with AML oversight for different kinds of financial intermediaries. Among them, the most notable for crypto and fintech businesses are:

- **VQF (Verein zur Qualitätssicherung von Finanzdienstleistungen):** Switzerland's oldest and largest SRO; its first crypto member was Bitcoin Suisse in **2014**. VQF now has dozens of crypto-related companies under its supervision
- **PolyReg** (Swiss Professional Liability Association): Another widely used AML supervisory body by crypto and fintech firms.
- **SO-FIT** (Swiss SRO for Financial Intermediaries and Tokens): a more recent entrant focusing on digital asset intermediaries.

Other FINMA-recognized SROs supervise sectors such as asset management, trustees, insurance intermediaries, and pension-related services.



Crypto activities under SRO

One of the biggest surprises for newcomers is just how much is possible under this model. Companies supervised by an SRO can provide crypto exchange services, facilitate payments, offer custody solutions for digital assets, and even integrate crypto-linked financial products like prepaid cards.

There are, of course, boundaries. If you start holding client deposits beyond one million Swiss francs or keep funds for more than sixty days, you may fall into the category of needing a fintech or banking license. But for many companies - especially those in their growth stage - these thresholds are more than sufficient. It allows them to establish a legal, compliant foothold in Europe while testing and refining their products.

This combination of operational freedom with clear guardrails explains why Zug, often called the “Crypto Valley,” has become home to over a thousand blockchain and fintech companies. From giants like the Ethereum Foundation to nimble startups, the SRO framework has proven to be both accessible and credible.

As an SRO-supervised company, you can:

- **Exchange crypto ↔ fiat** (brokerage, OTC desk, or exchange).
- **Facilitate payments** in crypto (merchant processing, remittances).
- **Offer crypto custody** (holding client assets in segregated or omnibus wallets).
- **Provide card solutions** tied to crypto accounts.
- Lend or provide other financial services (within defined limits).

Thresholds to keep in mind:

- Holding client deposits exceeding **CHF 1 million** or **longer than 60 days** triggers additional licensing (fintech or banking).
- SRO members must **segregate client assets** and follow strict AML/KYC protocols.

In practice, this model suits **startups, payment platforms, OTC brokers, and smaller exchanges** perfectly - enabling them to **operate legally and scale**, while deferring costlier licensing to later growth stages.



How to register under SRO

1. Incorporation of company in Switzerland

Minimum Share
Capital Required

Payable During
Incorporation

Stock company

A Swiss Stock Company - Aktiengesellschaft (AG) is a separate legal entity with limited shareholder liability, flexible share structure, at least one Swiss-resident director, optional shareholder anonymity, and is commonly used for medium to large businesses; its share capital can be used for corporate expenses after incorporation.

100,000 CHF

50,000 CHF

Limited Liability Company

A Swiss GmbH (Gesellschaft mit beschränkter Haftung) is a separate legal entity with limited liability for its members, fixed registered capital divided into ownership quotas, mandatory disclosure of all shareholders, at least one Swiss-resident managing director, and is ideal for small to medium-sized businesses; its share capital can be used for corporate expenses after incorporation.

20,000 CHF

20,000 CHF

Share capital can include **crypto assets**—an attractive option for founders with digital reserves.

Swiss Residency Permits

As part of our comprehensive Swiss SRO company setup service, we can also offer tailored assistance in obtaining Swiss residency for company directors or founders. We help navigate the legal requirements to ensure your structure meets all regulatory and operational criteria, **please inquire for details and pricing information.**

For EU/EFTA Nationals: We support EU/EFTA citizens in securing Swiss B residence permits for self-employment. This includes assistance with preparing business plans, registering your company, and guiding you through the permit application process at the local municipality.

For Non-EU Nationals: For third-country nationals, we provide strategic guidance in applying for Swiss residency by demonstrating strong economic impact through your business. Our team helps build the necessary documentation, including detailed business plans and financial projections, and supports you through interactions with cantonal authorities for work and residence permit approval.



2. Open a Swiss Bank Account

A Swiss bank or electronic money institution (EMI) account is essential to deposit your paid-in share capital and run day-to-day operations. Zug hosts several banks and EMIs that specialize in servicing crypto and fintech companies, making the process smoother when your business model is well-presented.

3. Appoint Key People

Swiss SRO membership requires a resident director to ensure local oversight and accountability. You'll also need a qualified AML Compliance Officer, responsible for implementing KYC procedures, ongoing transaction monitoring, and ensuring your company adheres to Swiss AML standards.

4. Prepare a Robust Business Plan

Your business plan must go beyond a high-level overview. It should include a clear description of your services, detailed transaction flow mapping, target markets, revenue forecasts, and a risk management framework, demonstrating to the SRO that your company understands and can mitigate operational and compliance risks.

5. Draft Critical Policies

We prepare all mandatory compliance documents: a comprehensive AML/CFT policy, enhanced due diligence (EDD) procedures, detailed transaction monitoring rules, and internal governance documents that align your company's operations with Swiss regulatory expectations.

6. Apply for SRO Membership

Once your company structure and documents are in place, we file your application with an SRO — typically VQF, PolyReg, or SO-FIT. The submission includes your policies, business plan, corporate documents, and key management profiles.

7. Undergo Onboarding and Review

The SRO conducts an onboarding audit to assess your readiness, review your compliance framework, and provide feedback for adjustments if necessary. Once approved, you gain full SRO membership — allowing you to legally operate as a Swiss financial intermediary.

Typical timeline: **3 months with BMP Global**, depending on the quality of your documentation and team readiness. This is **significantly faster** than MiCA authorization.



Obligations under SRO

Joining a Swiss SRO is more than a one-time compliance exercise, it is an **ongoing commitment to maintaining high standards of transparency and control**. While the SRO model is lighter than a full FINMA license, it still ensures that crypto businesses operate responsibly and within the Swiss Anti-Money Laundering Act (AMLA) framework.

Once admitted, your company must continuously demonstrate that it has the systems and procedures in place to detect, prevent, and report illicit activity. This includes following elements:

Customer Due Diligence (KYC):

Every customer must undergo proper identification before you establish a business relationship. For transactions above **CHF 1,000** (a common threshold for crypto-fiat exchanges and payment platforms), you are required to collect and verify additional identifying information. Enhanced Due Diligence (EDD) is mandatory for high-risk clients, politically exposed persons (PEPs), or unusually complex transactions.

Transaction Monitoring:

You must maintain systems, whether integrated automated solutions or manual review processes, to monitor crypto and fiat transactions for unusual or suspicious patterns. These systems should allow you to flag transactions that may indicate money laundering or terrorist financing, and SRO will assess if chosen method matches your risk profile and transaction volumes.

Suspicious Transaction Reporting:

If there is **reasonable suspicion** that assets are linked to criminal activity or a client is attempting to circumvent AML rules, you must promptly submit a Suspicious Activity Report (SAR) to the Money Laundering Reporting Office Switzerland (MROS). While Swiss law does not set a single monetary threshold for reporting, transactions that **exceed CHF 25,000** in cash or equivalent (or their crypto equivalent) often trigger closer scrutiny, though smaller transactions can also be reported if there are red flags.

Record Keeping:

All client identification data, transaction records, and internal risk assessments must be kept for **at least 10 years**. These records must be easily accessible for audits or investigations.

Regular Audits and Reviews

In addition to day-to-day compliance, you will undergo:

- **Annual external AML audits** commissioned by the SRO, which review your policies, procedures, and real-world execution.
- **Ongoing reviews** by the SRO, which may include spot checks or additional reporting requirements if your business changes (e.g., significant increase in volume or service scope).

Why It Matters?

These obligations safeguard banking relationships, build partner trust, and support global growth. Swiss SROs strike the right balance: strict enough for credibility, yet flexible for business expansion.



The Zug tax advantage

Switzerland has long been known for its **competitive and predictable tax environment**, and the canton of Zug takes this a step further by actively positioning itself as a hub for blockchain and digital asset businesses. But what does this mean in practical terms for companies?

Corporate Income Tax

Zug boasts one of the lowest combined corporate income tax rates in Switzerland, typically **between 11.9% and 14%** (federal, cantonal, and municipal levels combined). This rate is significantly below what companies face in most EU jurisdictions, which often exceed 20%. For crypto ventures, which may reinvest heavily into growth and product development, this can free up significant capital.

Value-Added Tax (VAT)

Switzerland applies a standard VAT of **7.7%**, but most crypto-related activities, such as the exchange of cryptocurrencies and crypto-based payment services, are treated as **exempt financial services**, meaning that VAT does not apply. This is particularly beneficial for exchanges, brokers, and payment processors, as it reduces administrative and financial burden on high-volume, low-margin transactions.

Withholding & Dividend Taxation

Dividends paid by Swiss companies are subject to a **35% withholding tax**. However, Switzerland maintains an extensive network of **double-taxation treaties** that can reduce or eliminate this withholding for foreign shareholders, depending on the treaty with the investor's country of residence. This makes Zug an attractive jurisdiction for international holding structures.

Capital Gains & Wealth Tax

For companies, capital gains are taxed as part of ordinary profits. For private individuals, gains on the sale of crypto (when held as private assets) are **generally tax-exempt**, unless they are deemed to be conducting a professional trading activity. Corporate shareholders benefit from participation relief for qualifying shareholdings, further improving tax efficiency.

Paying Taxes in Crypto

Perhaps most uniquely, Zug allows both **individuals and companies to pay cantonal taxes in Bitcoin and Ether**—up to **CHF 1.5 million per tax bill**—through an arrangement with Bitcoin Suisse. The crypto is instantly converted to Swiss francs, protecting the canton from volatility while giving taxpayers an operationally convenient way to manage obligations in their native asset class.

In short: Zug's tax framework is **low-cost, crypto-friendly, and treaty-optimized**, making it one of the most appealing jurisdictions for both operating companies and holding structures in the blockchain sector.



Serving EU and global clients

A key question for many crypto businesses considering Zug is: *Can we serve European Union customers without MiCA authorization?* The answer is nuanced but generally positive, thanks to the concept of **reversed solicitation**.

Reversed Solicitation in the EU

Reversed solicitation allows Swiss-regulated entities to **onboard EU clients who approach them on their own initiative**, rather than because of active marketing. In practice, this means:

- You **cannot actively advertise or market** your services to residents of EU member states (for example, no targeted campaigns or sales activities within the EU).
- You **can accept EU clients** who contact you independently or are referred through non-solicited channels.
- You must include **clear disclaimers** on your website and onboarding materials, indicating that your services are not actively offered to EU residents.

This approach has allowed many Swiss crypto companies to maintain an EU client base while avoiding MiCA licensing requirements.

Global Outreach Beyond the EU

Outside the European Union, Swiss-regulated companies enjoy far greater freedom. Switzerland's strong international reputation means that **many non-EU jurisdictions readily accept Swiss-regulated entities** as credible service providers. This has helped Zug-based crypto businesses expand into markets in Asia, the Middle East, and Latin America without the additional burden of multi-jurisdictional licensing.

Practical Steps for Compliance

- **Geo-fencing tools** can be implemented to prevent access from certain regions where active marketing would be non-compliant.
- **Tailored onboarding questionnaires** help document whether an EU client's approach qualifies as reversed solicitation.
- **Legal disclaimers** and internal procedures ensure that marketing activities remain compliant with EU and other foreign rules.

Bottom line: Zug offers crypto companies a **launchpad for global operations**, combining a respected regulatory regime with strategies like reversed solicitation to serve clients in Europe legally while giving near-unrestricted access to non-EU market



About BMP Global

At BMP Global, we make regulatory success simpler, faster, and more effective.

We are a **legal fintech consultancy** specializing in compliance and licensing for crypto and traditional financial businesses across the globe. Over the past seven years, we've delivered 350+ projects in Canada, Europe, the Middle East, Africa, and Asia, helping our clients navigate complex regulations with confidence.

Our team of ex-bankers, lawyers, compliance professionals, and executives doesn't just secure licenses, we become part of your team, guiding you through every stage of your growth. Many clients see us as an extension of their compliance department: approachable, practical, and deeply committed to their success.

Licensing is just the beginning.

We help you build the full infrastructure your business needs: from banking solutions and payment rails to software and operational frameworks, ensuring you have the tools to scale securely and sustainably.

With BMP Global, you gain a partner who understands your challenges and delivers the solutions you need to grow.

Our Services

We make joining a Swiss SRO **simple and efficient** - delivering everything you need for a fully compliant Swiss presence.

What You Get:

Company Formation: Secure incorporation handled by Swiss lawyers.

Banking: Assistance with operational bank or EMI account opening.

Local Presence: Resident executive sourcing + desk or office setup for substance.

Compliance Team: Fractional compliance (deputy AML officer) support.

Accounting & Reporting: Set up with trusted local accountants.

SRO Application: All documentation prepared (AML policies, procedures, business plan) and filed.

Why BMP Global:

Proven track record: **100% success rate**

Speed: **3 months project delivery.**

Cost-efficient

End-to-end service: From setup to full membership approval.

With BMP Global, your Swiss SRO membership is not just an application, it's a ready-to-operate **Swiss entity** with the compliance, people, and infrastructure needed to grow.

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Glossary of terms

AML (Anti-Money Laundering):

A framework of laws and regulations designed to prevent the illegal generation of income through criminal activities, requiring financial institutions to monitor, detect, and report suspicious activity.

AMLA (Anti-Money Laundering Act):

The Swiss federal law setting rules for preventing money laundering and terrorism financing. It requires financial intermediaries — including crypto businesses — to conduct customer due diligence, monitor transactions, and report suspicious activities.

AML Audit:

An annual external review conducted to ensure that a company's AML policies and procedures are being effectively implemented.

CFT (Counter-Terrorist Financing):

Measures aimed at preventing the funding of terrorist organizations or activities, often paired with AML obligations.

CASP (Crypto-Asset Service Provider):

A MiCA term for entities offering services such as crypto custody, exchange, or trading.

EDD (Enhanced Due Diligence):

Stricter identity verification and monitoring applied to high-risk clients, transactions, or jurisdictions.

FINMA (Swiss Financial Market Supervisory Authority):

Switzerland's federal regulator responsible for supervising banks, insurers, investment firms, and other financial entities. FINMA also recognizes and monitors SROs.

Geo-fencing:

Technology used to restrict or allow access to digital services based on a user's geographic location, commonly used to block users in restricted jurisdictions.

High-Risk Industries:

Business sectors — such as gambling, adult entertainment, offshore finance, or certain crypto activities — that require stricter due diligence because of elevated money-laundering or reputational risks.

IBAN (International Bank Account Number):

A standardized account number format used for cross-border transfers, particularly within SEPA and other payment networks.

KYC (Know Your Customer):

The process of verifying a client's identity before entering into a business relationship. In crypto, this includes collecting personal information, verifying documents, and confirming addresses.

**MiCA (Markets in Crypto-Assets Regulation):**

The EU's regulatory framework for crypto-asset service providers, harmonizing rules across member states and introducing licensing requirements for exchanges, custodians, and token issuers.

MROS (Money Laundering Reporting Office Switzerland):

The central Swiss authority for receiving and processing suspicious transaction or activity reports from financial intermediaries.

Payment Rails:

Infrastructure enabling money transfers across networks such as **SEPA**, **SWIFT**, and card processing schemes.

PEP (Politically Exposed Person):

An individual holding a high-profile public position, or their relatives and close associates, requiring enhanced due diligence due to corruption risks.

PolyReg:

A FINMA-recognized SRO providing AML oversight for various financial intermediaries, including crypto and fintech businesses.

Reversed Solicitation:

A legal concept allowing companies outside the EU to onboard EU clients **only when those clients initiate contact**, prohibiting active marketing within the EU.

SAR (Suspicious Activity Report):

A report submitted to MROS when a company suspects that a client's funds or transactions may be linked to criminal activity.

SO-FIT (Self-Regulation Organisation for Financial Intermediaries and Tokens):

An SRO with a focus on overseeing digital-asset service providers and token-based business models.

SRO (Self-Regulatory Organization):

A private supervisory body recognized by FINMA under the AMLA. SROs oversee their members' compliance with AML/CFT requirements, providing audits, training, and guidance.

VASPs (Virtual Asset Service Providers):

An FATF term for entities providing virtual asset services (similar to CASPs), such as exchanges, custodians, and crypto payment providers.

VQF (Verein zur Qualitätssicherung von Finanzdienstleistungen):

Switzerland's largest and oldest SRO, supervising a broad range of financial intermediaries, including many crypto businesses. Its reputation makes it a preferred choice for digital-asset service providers.

Contact Us



BMP Global delivers a comprehensive range of services to support fintech businesses throughout their regulatory and operational journey. We specialize in building licensing frameworks across multiple jurisdictions, offering solutions such as Canadian MSB registrations (both newly created and pre-obtained), VASPs, MiCA-compliant CASPs, European EMIs, Hong Kong MSOs, gaming licenses, and non-licensable crypto structures.

Beyond licensing, we provide global incorporation services and help clients identify the right banking infrastructure partners for their needs: from SEPA and SWIFT payment rails to solutions with named IBANs, debit card issuance, and access to liquidity providers. At BMP Global, we don't just help you get licensed - we **accompany you through the entire fintech journey**, ensuring you have the tools, connections, and compliance support to scale successfully.

Start with a **Free Call**.
Dive Into Swiss SRO or Find the Right License



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