



KEY FIGURES

43,416
companies new to the commercial register in 2017

4th
year in a row with more than 41,000 new registrations

approx. **1/3**
of new companies started by non-Swiss nationals

around **70**
technology and startup parks

Sources: startups.ch, 2018

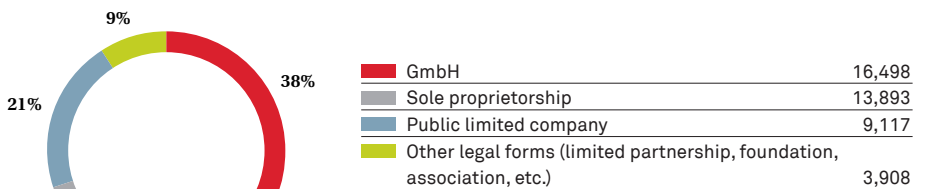
COMPANY FOUNDATION

AT A GLANCE

Switzerland is one of the world's most popular company locations. In 2017, for the fourth year in a row, more than 41,000 new companies were entered into the Swiss commercial register, with over a third of these consisting of foreign investors. If all the requirements are met, setting up a company can take as little as two to three weeks. Furthermore, a company can be adopted into the commercial register within approximately five days, if it makes use of the express service, which is subject to a fee.

Number of New Companies Entered in the Commercial Register in 2017

Classification of the companies according to legal form in % (left) and absolute (right)



Source: startups.ch, 2018

Ideal Conditions for Company Startups

Worldwide country rankings for selected factors

Country	R+D transfer	Taxes and bureaucracy	Entrepreneurial training	Physical infrastructure
+ Switzerland	1	3	1	5
+ Netherlands	2	2	2	1
+ Indonesia	3	4	3	28
+ Luxembourg	4	5	20	19
+ France	5	8	11	9
+ UAE	6	1	10	3

Source: GEM Global Report, 2018

PERSONS AUTHORIZED TO CREATE A COMPANY

It is, in principle, possible for any citizen to create a company or to hold a stake in a company in Switzerland. When founding a business, at least one of the people involved must have right of residence in Switzerland. People from the EU zone possess the right to freedom of residence and work in Switzerland, due to the freedom of movement in place. In order to conduct business in this country on a permanent basis, citizens from third countries require work and residence permits.

www.sem.admin.ch > Entry & Residence > Work/Work Permits
Regulations for work and residence permits
Languages: German, English, French, Italian

CHOICE OF LEGAL FORM

Which of the various legal forms is suitable depends on the objectives and requirements of the company. The following company types are particularly popular among foreign investors:

- Private limited company (GmbH)
- Public limited company (AG)
- Branch

More information on the legal forms and a table presenting an overview of the most important key data can be found in the Handbook for Investors, Chapter 5 - Company Foundation and Corporate Management.

www.kmu.admin.ch > Practical knowledge > SME start-ups > Company foundation > Choice of legal form
Choosing the ideal legal form
Languages: German, English, French, Italian

CHOICE OF LOCATION

A domicile address is required for establishing a company. If the location is yet to be defined, one can also register the company under the name of the appointed legal attorney or notary.

s-ge.com/cantons
Cantonal economic development agencies for selecting a location
Languages: Chinese, German, English, French, Italian, Japanese, Portuguese, Russian, Spanish

s-ge.com/realestate
Ideal rented rooms or properties
Languages: Chinese, German, English, French, Italian, Japanese, Portuguese, Russian, Spanish

Tax rates vary depending on the location and can be between 12-25% for companies, depending on in which canton said company is located.

There are around 70 technology parks and business incubators in Switzerland that offer startup companies premises (at a discount) on which to get started - joint infrastructure and expert support play a deciding role in choosing a location. An overview is provided in the Handbook for Investors, Chapter 14 - Investment Promotion.

www.s-ge.com/handbookforinvestors
Handbook for investors
Languages: Chinese, German, English, French, Italian, Japanese, Portuguese, Russian, Spanish

BEFORE THE COMPANY IS FOUNDED

Business plan: This plan can be used as a basis for starting a business. It must demonstrate how the business concept can be realized and contain statements regarding the strategy, market situation, planned measures and financial requirements.

www.kmu.admin.ch
Business plan guidelines
Languages: German, English, French, Italian

Market analysis and market research: Another important element of the business plan is the analysis of the potential market. One can access a number of service providers who specialize in conducting market analyses and research and determine how well a product might be received on the market.

www.vsms-asms.ch
Swiss Market and Social Research Association
Languages: German, French

Nomination of institutions and the definition of articles of association: The articles of association for public and private limited companies must contain information on their legal form, objective, head office location, share capital and contributions from shareholders.

www.bj.admin.ch > Economy > Commercial Register, Zefix and Regix > Model Statutes GmbH
Model statutes for a private limited company
Languages: German, French, Italian

Permits: It is necessary to clarify whether a permit must be obtained for a particular activity and whether other statutory requirements must be met at municipal, cantonal or federal level.

www.bewilligungen.admin.ch
Portal for permits and regulated professions in Switzerland
Languages: German, English, French, Italian

ASSIGNING A NAME

Regix can be used to check whether the name requested for a company has already been taken or not. It is also advised to commission an investigation with the Swiss Federal Commercial Registry Office before setting up a new business or changing a company name. Public and private limited companies must be stated by name, should these company forms be decided upon. Names of sole proprietorship companies must contain the surname of the founder.

www.regix.ch
Tool for clarifying already assigned names
Languages: German, French, Italian

www.zefix.ch
Central corporate index
Languages: German, English, French, Italian

Domain: It is advisable to check the availability of relevant domains as early as possible and to register these domains. The SWITCH foundation assigns and manages all domain names belonging to the ".ch" suffix, on behalf of the Federal Office of Communications.

www.switch.ch
SWITCH
Languages: German, English, French, Italian

Brand protection: Inventions can be patented by the Swiss Federal Institute for Intellectual Property - brands and designs are also registered and protected. If the brand needs to be protected on an international level, this falls under the responsibility of the World Intellectual Property Organization WIPO.

www.ige.ch
Swiss Federal Institute for Intellectual Property (IGE)
Languages: German, English, French, Italian

www.wipo.int
World Intellectual Property Organization (WIPO)
Languages: German, English, French, Spanish, Chinese, Russian, Arabic

OPENING AN ACCOUNT

A company's share capital must be paid into a Swiss bank account. The bank will subsequently issue proof of capital, which is required for the creation of a company. Cost: CHF 150 to CHF 400.

www.swissbanking.org
FAQ on the subject of account opening
Languages: German, English, French, Italian

ENTRY IN THE COMMERCIAL REGISTER

A written application must be submitted, with certified signatures, for entry in the commercial register. The guidelines for the entry procedure are outlined in the Swiss Code of Obligations (OR), as well as in the Commercial Register Ordinance. This information is made available to the public.

www.shab.ch
Swiss Official Gazette of Commerce
Languages: German, English, French, Italian

Certification, in addition to authorized signatures, are required for entry in the commercial register. This procedure serves to definitively prove the identity of the signatory. The signatures are generally certified by notaries, commercial registry offices and, in some cases, by city and municipal authorities.

www.kmu.admin.ch > Online services > List of online notary service providers
List of online notary service providers
Languages: German, French, Italian

www.schweizernotare.ch
Swiss Notary Association
Languages: German, French, Italian

www.sav-fsa.ch
Swiss Bar Association
Languages: German, English, French, Italian

Auditing processes are mandatory for certain legal forms, such as public limited and private limited companies.

www.treuhandsuisse.ch
Swiss Trustee Association
Languages: German, English, French, Italian

www.expertsuisse.ch
Auditor and tax experts
Languages: German, English, French, Italian

FURTHER STEPS AND OBLIGATIONS

Value-added tax: Whether, and to what extent, a company is obligated to pay value-added tax is dependent on a number of different factors. Value-added tax is generally payable on annual turnover generated in Switzerland in excess of CHF 100,000.

www.estv.admin.ch
Tax administration form for determining the value added tax requirement
Languages: German, English, French, Italian

www.s-ge.com/exporthelp
Value-Added Tax
Languages: German, English, French, Italian

Accounting obligation: When registering as a public or private limited company, the company is required to arrange for book-keeping services. The associated costs can be recorded on the date the company was founded. During the span of two consecutive years, if a public or private limited company exceeds certain thresholds relating to balance sheet totals, revenues and full-time positions offered, a regular audit is required by law. In all other cases, a limited audit applies, unless the company consists of fewer than ten full-time employees and all shareholders vote against an audit.

Insurance obligations AHV/IV/EO: The pension system in Switzerland (AHV) ensures the basic needs of the elderly and surviving dependents. The disability insurance (IV) is intended for the financial consequences of disability. The federal law on income compensation (EO) partly compensates for the loss of income while engaging in military, civil protection or civil service. These insurance policies are financed by employee and employer contributions and by state contributions.

www.ahv-iv.ch
AHV/IV
Languages: German, English, French, Italian

Compensation funds: They recover AHV/IV contributions from employers and insured persons and then pay out the pensions due.

www.ausgleichskasse.ch
Overview of cantonal compensation funds in Switzerland
Language: German.

www.bsv.admin.ch
Federal Office for Social Insurance Policies
Languages: German, English, French, Italian

Professional pension (BVG): The aim of the professional pension, along with the AHV/IV, is to ensure that the employee's standard of living can be maintained following retirement. The professional pension is managed by pension funds and financed by contributions from the employee and employer, with the employer contributing at least 50%.

www.bsv.admin.ch
Information on the professional pension
Languages: German, English, French

Accident insurance (UVG): Accident insurance is obligatory in Switzerland and is usually covered by the services of the Swiss accident insurance institution (SUVA). Supplemental health insurance policies (e.g. per diem sickness indemnity) and business insurance policies are, however, voluntary in most industries.

www.kmu.admin.ch
Information on AHV and UVG
Languages: German, English, French, Italian

www.suva.ch
Accident insurance
Languages: German, English, French, Italian

Business insurance policies: A company can, in principle, decide for itself which risks it would like to hedge. However, depending on in which industry it operates, it is worth clarifying which risks it is reasonable to take out insurance against.

Business liability insurance: Business liability insurance covers damage which could potentially harm the business owner and his/her deputy or employees of third parties. It is not mandatory to conclude this type of insurance policy, but it is highly recommended.

www.svv.ch
Swiss Insurance Association
Languages: German, English, French

www.kmu.admin.ch > Practical Information > Founding an SME > Founding a Company > Insurance
Languages: German, English, French, Italian

CURRENT DEVELOPMENTS

Switzerland is currently working on a new bill regarding corporate taxation bill with the designation Tax Proposal 17 (TP17). TP17 intends to ensure that Swiss taxation modalities are in line with internationally established tax practices. At the same time, it will ensure a modern, attractive taxation and competition environment for companies operating in Switzerland. The process of parliamentary consultation and decision-making is expected to last until 2019.

CONTACTS AND FURTHER INFORMATION

Authorities and regulators

State Secretariat for Economic Affairs

www.seco.admin.ch

Swiss Federal Tax Administration

www.estv.admin.ch

SME portal of the Federal government

www.kmu.admin.ch

Online counter for efficient company founding

www.easygov.swiss

Publications

UBS resources for company foundation

www.ubs.com > Founding a Company

PWC Startup Portal

www.ifj.ch/pwc

Global Entrepreneurship Report

www.gemconsortium.org > Reports > Global Reports

Legal basis to the Swiss company forms

www.admin.ch/opc/de/classified-compilation/19110009/
> Art. 552 ff. OR

Associations and networks

Startup portal

www.startups.ch

Foundation platform Canton of Zurich

www.gruenden.ch

Company foundation

Greater Geneva Bern Area

www.ggba-switzerland.ch

Association of Swiss technology parks and startup incubators

www.swissparks.ch

Swiss Bar Association

www.sav-fsa.ch

Swiss Trustee Association

www.treuhandsuisse.ch

Swiss Institute of Certified

Accountants and Tax Consultants

www.treuhand-kammer.ch

S-GE resources

Handbook for Investors

www.s-ge.com/

handbookforinvestors

09/2018