

Mutual Recognition of Funds (MRF) between Switzerland and Hong Kong

1. On 2 December 2016, the Swiss Financial Market Supervisory Authority (FINMA) and the Securities and Futures Commission (SFC) of Hong Kong signed the Memorandum of Understanding concerning Mutual Recognition of Funds between Switzerland and Hong Kong (MoU). The MoU provides for a recognition of asset managers as well as a framework for the mutual recognition of publicly offered funds in both markets. The expression “publicly offered”, or “Public Offering”, means:
 - a. in Switzerland: any marketing, offering, sale and distribution of collective investment schemes (CISs) to investors who are not qualified as defined in Art. 10 paras. 3, 3bis or 3ter of the Swiss Collective Investment Schemes Act (CISA); and/or
 - b. in Hong Kong: any offer (including marketing, sales and distribution) of CISs to the public which requires authorisation under Hong Kong’s Securities and Futures Ordinance (SFO).

General Principles

2. The MRF operates on the principles that a fund that has been authorised or approved by the relevant authority in one jurisdiction (Home Jurisdiction) and is seeking or has received authorisation or approval for Public Offering in the other jurisdiction (Host Jurisdiction) where:
 - a. the fund meets the eligibility requirements in accordance with these FINMA requirements;
 - b. the fund is authorised or approved by the relevant authority in the Home Jurisdiction and is allowed for Public Offering in the Home Jurisdiction;
 - c. the fund operates and is managed in accordance with the relevant laws and regulations in the Home Jurisdiction and its constitutive documents;

You can read the full article here in PDF: [Mutual Recognition of Funds \(MRF\) between Switzerland and Hong Kong](#)