



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Federal Councillor Karin Keller-Sutter  
Head of the Federal Department of Finance FDF  
Bundesgasse 3, 3003 Bern

21 December 2023

Dear Karin,

**Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation on Mutual Recognition in Financial Services: Side letter regarding Financial Market Infrastructures**

I have the honour to acknowledge receipt of your letter dated 21 December 2023 which reads as follows:

*“In connection with the signing of the Agreement between the Swiss Confederation and the United Kingdom of Great Britain and Northern Ireland on mutual recognition in financial services (the “Agreement”), I have the honour to confirm the following understanding reached between the Government of the Swiss Confederation (“Switzerland”) and the Government of the United Kingdom of Great Britain and Northern Ireland (“the United Kingdom”), during the course of the negotiation of the Agreement.*

*The United Kingdom and Switzerland share the ambition to enhance their cooperation regarding:*

- i. benchmarks, after completion of their respective reviews of the relevant domestic regulatory regimes;*
- ii. credit rating agencies;*
- iii. trade repositories;*
- iv. existing and any future recognition of reporting and clearing obligations for over-the-counter derivatives; and*
- v. existing and any future application of over-the-counter derivatives intragroup exemptions for domestic firms.*

*Accordingly, they wish to record their understanding that they will engage in further discussions with a view to exploring options for closer cooperation and the possible expansion of the Agreement to cover the above matters.*

*I have the further honour to propose that this letter, and your letter in reply, constitute an understanding between Switzerland and the United Kingdom, coming into effect on the date of the entry into force of the Agreement.”*

I have the further honour to confirm that my Government shares this understanding.

Yours sincerely,

**RT HON JEREMY HUNT MP**  
Chancellor of the Exchequer