

IN·SEC·M

MARKET FACT SHEET

Switzerland

✎ CREATION DATE 2024

📅 LAST UPDATE DATE 11/2024

INTRODUCTION

Switzerland presents a compelling market for Canadian cybersecurity firms for several reasons. The country boasts a robust economy and is renowned for its stability and financial security, which creates an ideal environment for businesses to flourish and expand. Canada is already Switzerland's second-largest trading partner in the Americas, indicating a solid foundation for collaboration and business opportunities between the two countries.

Switzerland possesses a thriving innovation ecosystem, which can be attributed in part to its esteemed post-secondary institutions. The country is widely recognized for its high-quality education and research, fostering an environment conducive to technological advancements. This, in turn, opens doors for collaboration between Canadian cybersecurity firms and Swiss academic institutions, facilitating the development of cutting-edge solutions and expertise.

Swiss businesses, particularly those in the financial services sector, are inclined to invest in cybersecurity solutions to safeguard their sensitive information and digital assets. This represents a significant opportunity for Canadian firms to capitalize on the demand and to offer their services.

MAIN DATA

GENERAL DATA	
Area	<ul style="list-style-type: none"> > Located in central Europe > 41,290 square kilometers
Capital	Bern
Time Zone and Time Difference with Ottawa	<ul style="list-style-type: none"> > Central European Time (CET) > 6 hours ahead of Ottawa
Languages	<ul style="list-style-type: none"> > German > French > Italian > Romansh > English
Population	8.77 million (2022)
Religions	<ul style="list-style-type: none"> > Christianity (Majority) > Islam > Judaism
Major Holidays	<ul style="list-style-type: none"> > New Year's Day (January 1) > Good Friday (Friday before Easter) > Easter (Sunday following Good Friday) > Labour Day (May 1) > Ascension Day (40 Days after Easter) > Swiss National Day (August 1) > Christmas (December 25 every year)

Typical Working Hours	<ul style="list-style-type: none"> > Standard working 45 hours (maximum is 45 according to Swiss employment law) > 5-day workweek, (Monday to Friday)
Entry Requirements	<ul style="list-style-type: none"> > Passport Validity: passport should be valid for at least three months beyond the date of entry. > Visa Requirements: <ul style="list-style-type: none"> Schengen visa¹: Required for a stay up to 90 days. National Visa: For a stay of more than 90 days.
Tax Treaties	<ul style="list-style-type: none"> > Convention between Canada and Switzerland for the Avoidance of Double Taxation. The treaty provides rules for determining the taxation rights of each country on various types of income, including business profits, dividends, interest, royalties, and capital gains.

POLITICAL DATA

Type of Political System	<p>Federal semi-direct democracy.</p> <ul style="list-style-type: none"> > Power is divided between central government and 26 cantons (states). Central government has limited powers, while the cantons have significant autonomy in areas such as education, health-care, and taxation > Direct democracy is practiced, meaning citizens have the right to participate directly in decision-making processes > Constitutional model aims to accommodate the diverse linguistic, cultural, and religious groups within the country.
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Leaders	President: Ignazio Cassis (assumed office January 1st, 2022)
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Regime Stability	Extremely stable
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ECONOMIC DATA (MAIN ECONOMIC INDICATORS)

Economic Situation	<p>Entire economy:</p> <ul style="list-style-type: none"> > USD \$870 billion GDP (2023) > Economy grew 0.8% in 2023 <p>Cybersecurity market:</p> <ul style="list-style-type: none"> > \$0.91 billion (Value)
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Financial Situation	<ul style="list-style-type: none"> > Currency: Swiss Franc (CHF) > \$1 CAD equals \$0.67 CHF > Inflation Rate: 2.1%
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Economic Policies Relating to IT Sector	<ul style="list-style-type: none"> > National strategy for the protection of Switzerland against cyber risks (NCS) – The National strategy for the protection of Switzerland against cyber risks (NCS) for 2018 to 2022, was adopted by the Federal Council on 18 April 2018.
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Digital Transformation	<ul style="list-style-type: none"> > Digital literacy ranking: 97% > Digital literacy ranking: N/A > Cybersecurity investments: N/A > Other relevant data: N/A
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POLITICAL AGREEMENTS AND RELATIONS WITH CANADA

Political Agreements and Relations with Canada	<ul style="list-style-type: none"> > Canada is Switzerland's second-largest trading partner in the Americas. > In 2018 Switzerland and Canada signed a joint declaration on education, research and innovation.
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1. The Schengen Area is a region of 29 European countries that have abolished their internal borders to allow the free and unrestricted movement of people.

MAJOR PLAYERS



Government

The National Cybersecurity center of Switzerland (NCSC)

It is an organization responsible for safeguarding Switzerland's critical information infrastructure from cyber threats. The NCSC operates under the Federal Department of Defence, Civil Protection and Sport (DDPS) and works closely with various government agencies, private sector organizations, and international partners.

Forum of Incident Response and Security Teams (FIRST)

FIRST is a global organization that brings together incident response and cybersecurity teams from various sectors, including government, academia, and industry. In Switzerland, there is a national FIRST team known as the Swiss Government Computer Emergency Response Team (GovCERT). GovCERT is responsible for coordinating incident response and providing support to government entities in Switzerland. It acts as a central point of contact for reporting and managing cybersecurity incidents within the government sector.



Private Sector

Kudelski Security

Kudelski Security is a renowned Swiss company that offers cybersecurity consulting, managed security services, and technology solutions. They specialize in areas such as threat intelligence, incident response, and secure product development.

WISeKey

WISeKey focuses on digital identity and cybersecurity solutions. They provide services such as secure authentication, secure IoT connectivity, and data protection. WISeKey also offers blockchain-based solutions for secure transactions.

Securosys

Securosys develops, produces, and distributes hardware, software and services that protect and verify data and its transmission.



Academic

Swiss Support Center for Cybersecurity

The Swiss Support Center for Cybersecurity (SSCC) is a joint initiative of EPFL Lausanne² and ETH Zürich³. The SSCC supports the government, civil society and industry through advice, training and knowledge transfer in the critical domains of cybersecurity, cybersecurity policy, information security and digital trust.

2. École Polytechnique Fédérale de Lausanne (EPFL) is a renowned research institute and university located in Lausanne, Switzerland
3. ETH Zurich, also known as the Swiss Federal Institute of Technology Zurich, is one of the world's leading universities in science, technology, engineering, and mathematics (STEM) education and research.



Association

Digital Switzerland

Digital Switzerland is a Swiss-wide, cross-industry initiative that aims to transform Switzerland into a leading digital nation.

The Information Security Society Switzerland

A non-profit organization that focuses on promoting the field of information security in Switzerland. The association has a network of over 1,200 security professionals in Switzerland, including over 150 companies. Focus on technical and legal security-related aspects of the information society.

INTERNATIONAL COMPETITION

Germany, France, United States.

STRENGTHS AND WEAKNESS OF CYBER SECURITY ECOSYSTEM



STRENGTHS

- › **Quality Internet Infrastructure:** Robust and reliable internet infrastructure, which is crucial for supporting innovation and technological advancements
- › **Power Supply:** Cost-effective and stable power supply, which is essential for powering various technological devices and infrastructure
- › **Strong Innovation Ecosystem supported by Post-Secondary Institutions:** Renowned post-secondary institutions, such as ETH Zurich and EPFL, are globally recognized for their research and development capabilities.
- › **Expertise in Network Security, Encryption, and Algorithm Solutions:** Long-standing reputation for maintaining high data privacy standards, making it an attractive location for businesses and organizations concerned about cybersecurity.



WEAKNESS

- › **Shortage of Skilled Labour:** Shortage of skilled cybersecurity professionals. Many firms are turning towards Managed Service Providers⁴

4. **Managed Security Services:** Network security services that have been outsourced to a service provider

MAIN NEEDS/END CUSTOMERS/MAJOR PROJECTS IN PROGRESS TO COME

Switzerland's cybersecurity industry has a specific market need in the realm of network security. The country has established itself as a global hub of expertise in Internet Governance, with a significant portion of global internet activities being based in Switzerland. This prominence in the digital realm creates a strong demand for robust network security solutions to protect sensitive data and ensure the integrity of online transactions.

Switzerland's financial industry, along with that of nearby Liechtenstein, places a great emphasis on safeguarding data and intellectual property as crucial corporate assets. This focus creates valuable opportunities for Canadian cybersecurity companies specializing in data security and processing to cater to the specific needs of these industries.

In addition to network security and data protection, there are other potential avenues for Canadian cybersecurity firms in Switzerland's ICT sector. Swiss businesses often outsource their IT services, creating opportunities for Canadian companies to provide specialized cybersecurity services. The rise of social computing⁵ and the increasing need for process optimization present further prospects for Canadian cybersecurity firms to offer innovative solutions in these areas.

MARKET PENETRATION: OPTIMAL APPROACH AND OTHER CONSIDERATIONS

Before entering the Swiss market, it is crucial for potential entrants to thoroughly **assess the technical qualifications and capabilities of their prospective partners**. This evaluation should specifically focus on their ability to cater to the German, French, and Italian-speaking regions within the country. By directly collaborating with Swiss importers and distributors, businesses can facilitate their market penetration efforts.

To succeed in Switzerland, it is advisable for businesses should prioritize **offering high-quality products that are also environmentally-friendly**. Being adaptable to meet **customers' specific requirements**, which may include selling in small volumes, is essential for sustained success.

EVENTS

- › **Swiss Cyber Security Days** February 18-19, 2025

BUSINESS ENVIRONMENT AND PRACTICAL ADVICE

Renowned research institutions and a strong emphasis on research and development enable Swiss enterprises to consistently improve their products, services, and processes.

The country's stable currency, economic, social, and political stability ensure a secure investment climate. Switzerland's bilateral trade agreements with every European country facilitate the free movement of goods, services, and people, reducing risks associated with international expansion.

The nation's highly skilled and motivated workforce, characterized by their education, multilingualism, and international experience, contributes to its competitiveness. With liberal labour laws, rare labor disputes, and a social insurance system based on solidarity and personal responsibility, Switzerland provides a favorable environment for businesses. Additionally, the country's internationally competitive tax system, with low rates at the federal and municipal government levels, attracts both corporations and highly skilled workers.

5. Social computing refers to the use of technology to facilitate social interactions and collaboration among individuals.

Useful Contacts

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Find Out More

- > [Doing business in Switzerland, Government of Canada](#)
- > [National strategy for the protection of Switzerland against cyber risks \(NCS\)](#)
- > [Switzerland, Export Development Canada](#)
- > [Switzerland Market Entry Strategy, International Trade Administration](#)
- > [Switzerland Cybersecurity Market Size & Share Analysis - Growth Trends & Forecasts \(2024 - 2029\), Mordor Intelligence](#)
- > [Switzerland Travel Advice](#)

In-Sec-M's Mission Report 2024