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Export Controls and Trade Sanctions: State of Affairs in Switzerland

2025 Deloitte Survey Report

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1. About this Survey

This report is based on the inaugural Deloitte survey on export controls and trade sanctions compliance among Swiss companies. Conducted from June to August 2025, this first-of-a-kind study gathered responses from Swiss senior professionals mainly responsible for or overseeing trade compliance across a broad spectrum of industries, including manufacturing, life sciences, consumer goods, financial services, and more to gather valuable insights into how these **regulations impact businesses operating in Switzerland**.

Export controls and trade sanctions are essential components of international trade regulations, designed to prevent the proliferation of **dual-use items**, combat circumvention of **international sanctions** and protect **national security**. Navigating these complex regulations can be challenging, especially for companies engaged in global trade.

The survey explored a wide range of topics, from governance and compliance programme maturity to technology adoption, training practices, and operational challenges. Respondents were asked, among other topics, about their company's approach to classifying export-controlled items, the primary challenges encountered in managing dual-use and military goods, and the measures implemented to ensure compliance with Swiss, EU, and US export controls and trade sanctions regulations.

The questionnaire also addressed the frequency of internal audits, the use of automated tools, attitudes towards external audits, and the impact of recent geopolitical developments. All responses were collected anonymously and analysed to identify prevailing trends, best practices, and areas where further development may be needed. The findings aim to provide valuable insights for Swiss companies seeking to benchmark and/or strengthen their export controls and trade sanctions compliance in an increasingly complex regulatory environment.

2. Key Findings

Swiss companies face a complex and evolving compliance environment: While there is clear momentum towards digitalization and best practice, significant gaps remain:

Compliance maturity varies widely:

- The insights gathered through this survey present a diverse image of how Swiss corporations of all sizes approach export controls and trade sanctions
- There is a significant lack of comprehensive ICPs within Swiss companies

Automation is standard; the next phase awaits:

- AI and automation in export controls are being identified as the most beneficial trend to simplify compliance.
- Furthermore, the use of data analytics to identify export control and trade sanction risks is considered beneficial.

Persistent challenges remain mainly in:

- Budget limitations and a lack of qualified personnel are recurring themes across respondents
- Additionally, data quality and regulatory harmonization are often mentioned as ongoing hurdles to efficient compliance

Openness towards external audits:

- Most respondents are open to and would welcome periodic audits by the Swiss authorities.
- Many would view such audits as an opportunity to enhance compliance maturity and secure stronger management buy-in, although some remain concerned about the potential increase in workload and resource demands.

Operations in sanctioned countries remain common:

- Despite the tightening of global sanctions, a notable minority of Swiss companies maintain operations or business relationships in Russia, Belarus, Iran, and other comprehensively sanctioned jurisdictions.

Low incidence of national penalties, but aggravated international risk perception:

- Only very few respondents reported penalties or sanctions in the past five years
- The United States is widely regarded as the primary jurisdiction of concern for regulatory investigations and enforcement actions, followed by the EU.

3. Setting the Scene

Swiss Companies Navigating a Complex and Evolving Compliance Landscape

Swiss Exports and Purpose of this Survey

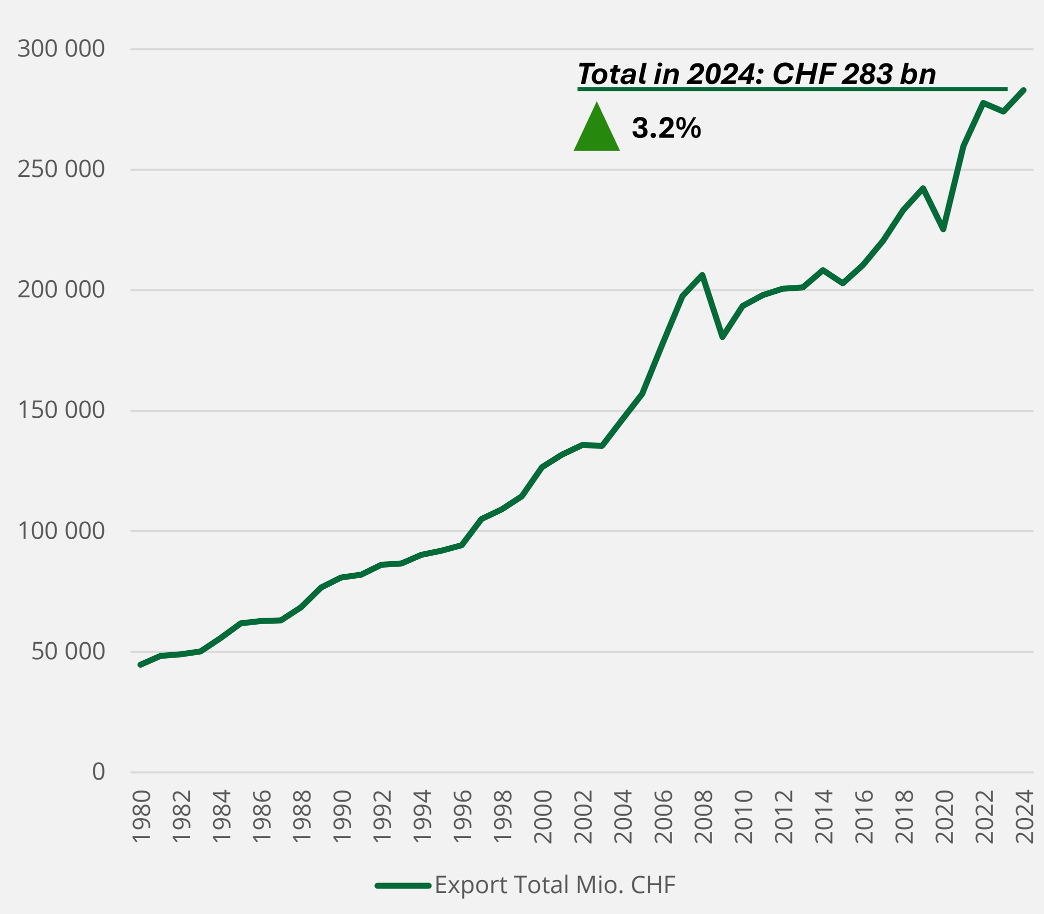
Even being confronted with an uncertain economic outlook, the Swiss economy overall, and export markets in particular remain strong: With a year-on-year growth of more than 3% of export value in 2024 compared to 2023[1], Swiss exports remain highly sought after by foreign trading partners around the globe. With about one third of Swiss SMEs generating three quarters of their revenue with foreign trade[2], analyzing the attitude Swiss companies take towards Trade Compliance has never been more prescient:

Switzerland's economy is highly export-oriented, with exports contributing more than 72% to total GDP in 2024[3]. Despite facing significant headwinds, statistics keep showing a steady year-on-year growth[4]. The Swiss export sector consists of a diverse set of industries, including manufacturing, life sciences, financial services, and technology[5], all of which are in some form or another subject to complex export controls and trade sanctions regimes.

Renewed Importance of Export Controls and Trade Sanctions Compliance

The regulatory environment governing export controls and trade sanctions has grown more complex and volatile, driven by geopolitical tensions, evolving international sanctions, and the extraterritorial reach of major jurisdictions such as the United States: According to the latest Deloitte Swiss CFO Survey (Fall 2025)[6], geopolitical risks remain the foremost concern for CFOs, followed by trade conflicts. These international risks dominate the corporate risk landscape, underscoring the critical importance of robust trade compliance frameworks.

Graph 1: Cumulative annual value of Exports in CHF, 1980 – 2024[7]



4. Data Analysis

Compliance Accountability, Export Reach and Familiarity with Regulations

At a Glance

The survey data shows a clear link between the number of countries a company exports to, its understanding of export controls and trade sanctions, and whether it has a dedicated compliance team or individual. Companies operating in more markets generally have greater regulatory knowledge and dedicated resources for compliance, reflecting the added complexity and risks of managing regulations across multiple jurisdictions.

Data Insights

- Among companies exporting to more than 10 countries, 2 out of 3 report being very familiar with export controls and trade sanctions and more than half have a dedicated compliance team rather than only one individual dedicated to these topics.
- Companies exporting to 10 or fewer countries generally report lower familiarity and fewer or no dedicated teams.
- Notably, companies with dedicated teams tend to report higher familiarity regardless of export reach, underscoring the importance of dedicated compliance resources.

Deloitte's Interpretation and Potential Implications

The data suggests that as companies expand their export activities across multiple countries, they recognise the need for specialized compliance functions to navigate complex regulatory landscapes. Dedicated teams enhance regulatory knowledge and enable more effective management of export controls and sanctions risks, potentially assigning regional responsibilities. Conversely, smaller exporters with limited compliance resources may face challenges in maintaining adequate regulatory familiarity, potentially increasing exposure to compliance risks.

Companies with growing international footprints could therefore prioritise building or expanding dedicated trade compliance teams to ensure sufficient regulatory knowledge and risk management. Smaller exporters should invest in training and compliance resources to strengthen capabilities. Exporting to fewer countries does not automatically imply a reduced risk profile; it depends on the nature of the goods, the specific transactions, and the export destination involved. Swiss small and medium-sized businesses should prepare accordingly.

65% of respondents mentioned having a dedicated team for Trade Compliance, with a further

6% responding with a sole individual being responsible for Trade Compliance, and

29% having no dedicated Trade Compliance staff or being unaware of such personnel at their firms.

84% of respondents export to more than 10 jurisdictions, with close to 35% exporting to more than 50 countries.

55% of respondents reported being "very familiar" with Trade Compliance – of those, 94% report having a dedicated Trade Compliance Team.

4. Data Analysis

Accountability and organisational Structure

At a Glance

Effective management of export controls and trade sanctions requires clear allocation of accountability and responsibility within organisations. The survey figures expose that the roles responsible for compliance vary by company size, reflecting differences in organisational complexity, resources, and regulatory exposure.

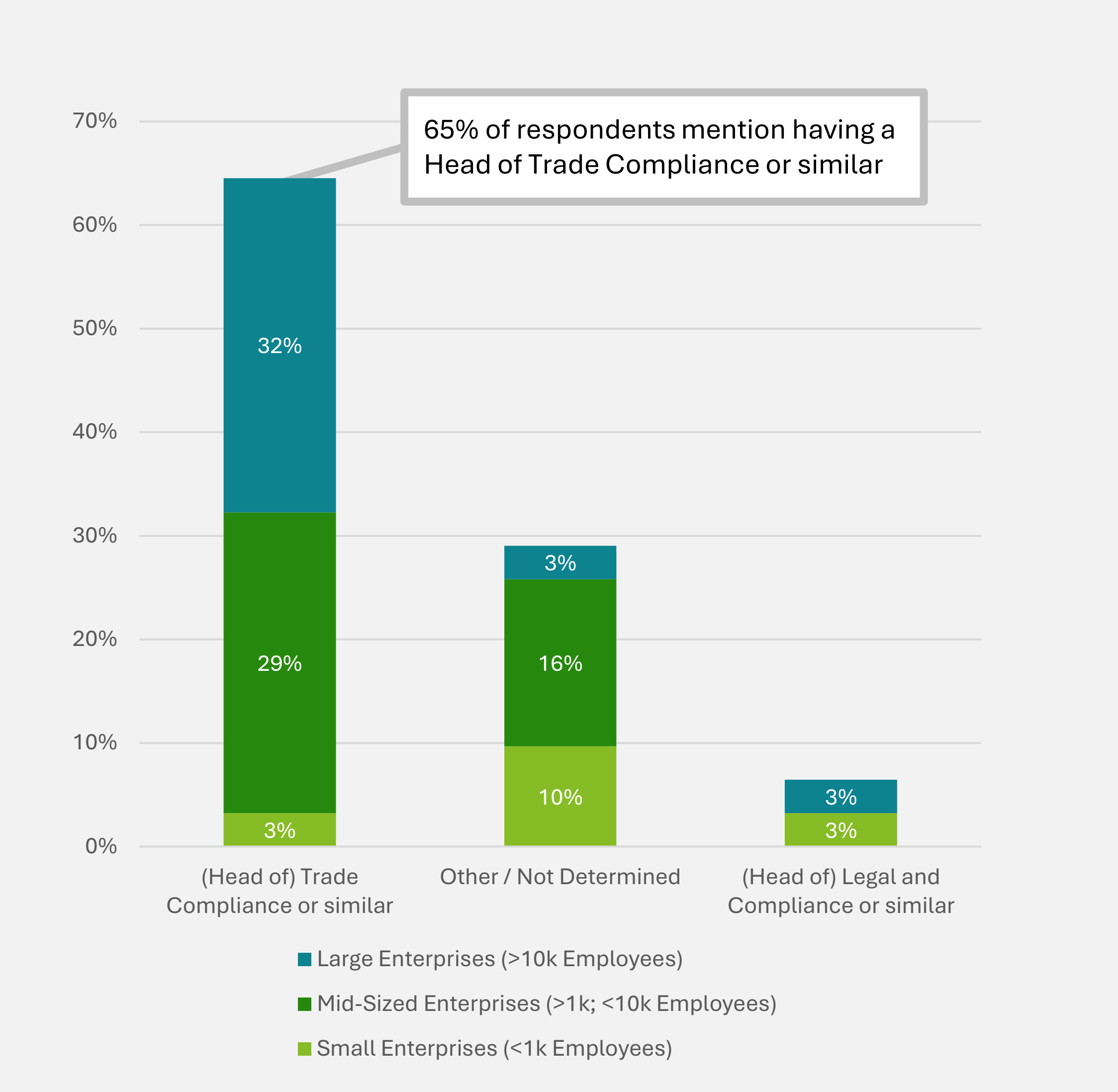
Data Insights

- In large companies with more than 10'000 employees, accountability predominantly lies with a dedicated Head of Trade Compliance or a similar specialized role, underscoring the importance of specialized leadership in managing complex, multinational compliance obligations.
- Mid-sized companies (1'000 to 10'000 employees) exhibit a similar accountability landscape: While a significant number assign responsibility to Heads of Trade Compliance, some rely on Heads of Legal and Compliance or other roles. This suggests a transitional phase where compliance functions are evolving towards greater specialization, even within mid-sized companies.
- In smaller companies (fewer than 1'000 employees), accountability is more varied and less formalized, reflecting resource constraints and less mature compliance frameworks.

Deloitte's Interpretation and Potential Implications

The predominance of dedicated trade compliance heads in larger companies aligns with the complexity and scale of their export control obligations. These specialized roles provide focused expertise, authority, and resources necessary to navigate diverse regulatory environments across multiple jurisdictions and business units.

Moreover, Deloitte observes that, with increased emphasis on Customs, Sanctions, and Export Controls, even small to mid-sized companies have now established dedicated Trade Compliance positions. Until very recently, these responsibilities were typically managed part-time within functions such as Transport & Logistics, SCM, or Finance. The findings of this survey lend further support to Deloitte's perspective on this evolving organisational trend.



4. Data Analysis

Internal Compliance programmes and Audit Practices

At a Glance

The presence and maturity of Internal Compliance programmes (ICPs) are critical indicators of how effectively companies manage export controls and trade sanctions compliance. The survey reveals significant variation in ICP adoption among Swiss companies, with larger organisations more likely to have comprehensive programmes in place. Furthermore, the frequency of internal audits is closely linked to the existence of an ICP, highlighting its essential role in establishing best practice governance and ensuring ongoing compliance.

Data Insights

- Among the surveyed companies, 61% have established ICPs dedicated to export controls and trade sanctions, while 39% reported not having an ICP or are unaware. The adoption of ICPs is closely linked to company size, with larger firms demonstrating greater compliance maturity through formalized programmes.
- Companies with ICPs predominantly conduct audits at least bi-annually.
- In contrast, companies without ICPs mostly conduct audits ad-hoc or not at all.

Deloitte's Interpretation and Potential Implications

The findings reinforce Deloitte's perspective that adopting an ICP is a crucial indicator of compliance maturity and, as a result, an essential step for many organisations. Larger companies often have their footprint spread across multiple markets and countries, exposing them to more complex regulatory environments and higher compliance risks. As a result, they are more likely to invest in comprehensive ICPs and conduct regular audits to proactively manage compliance and identify potential risks and gaps.

However, ICPs are not only relevant for large organisations as any company exposed to export controlled goods or sanctioned countries should have an ICP in place, even if it is less comprehensive. The specific risk profile of a company may significantly differ from its actual size. Smaller companies without formal ICPs may be more vulnerable to compliance gaps due to less structured governance and infrequent audits.

61% of respondents reported having an established and operational Internal Compliance programme (ICP) in place

Presence of ICPs per Company Size

40%	57%	75%
< 1'000 Employees	1'000 - 10'000 Employees	> 10'000 Employees

68% **of respondents with established Internal Compliance programmes (ICP) *audit* their Trade Compliance procedures at least *bi-annually*.**

4. Data Analysis

Internal Standing and Challenges in Managing Export Controls and Trade Sanctions

At a Glance

Swiss companies face a complex array of challenges in managing export controls and trade sanctions compliance. While external factors are influential, a significant proportion of obstacles originate within the organisation itself. organisations often grapple with resource limitations, skill shortages, data quality issues, and inconsistent internal processes. These internal constraints can hinder the effective implementation of compliance programmes, increase the risk of errors, and make it difficult to respond swiftly to regulatory changes.

Data Insights

Companies report several internal challenges impacting their ability to maintain effective compliance:

- **Insufficient Budget and Personnel Support:**
  Companies mainly identify limited budget and staffing as key internal challenges to maintaining compliance programmes. However, 65% of companies reported an improved internal standing, with many noting an increase in personnel resources.
- **Data Quality Issues:**
  Ranked second, insufficient data quality highlights the critical need for reliable data in compliance processes. Poor master and transactional data quality undermines accurate export control classification and sanctions screening, compromising the effectiveness of compliance checks and increasing the risk of violations.

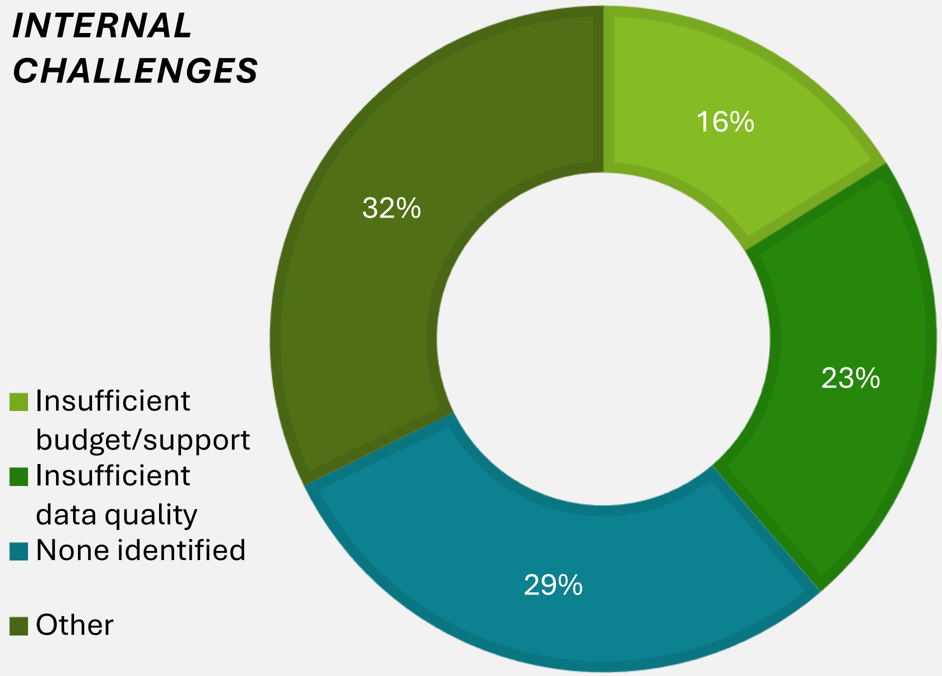
Deloitte's Interpretation and Potential Implications

Trade Compliance Functions play a key role in identifying resource shortages and to clearly show to leadership why additional budget and staff are essential. Although many report recent budget increases, the gap between available and needed support remains. This makes it critical for managers to build a strong business case to secure the necessary financial and human resources to manage compliance risks. Having an adequate number of resources in place is a prerequisite for an ICP according to SECO guidelines and also demonstrates the right tone at the top. Resource shortfalls may lead to organisational deficiencies and potential liability for management.

Improving data quality is equally vital. Accurate, complete, and timely data helps organisations classify goods correctly, assess sanctions and embargo risks, and comply with the applicable regulations. Poor data quality increases the risk of compliance errors, violations, fines, and operational disruptions.

65%

Feel that their internal standing as Export Control and Trade Sanctions professionals has increased to some degree due to current (geo-)political circumstances.



4. Data Analysis

External Challenges in Managing Export Controls and Trade Sanctions

At a Glance

The survey identifies the rapidly evolving regulatory landscape as the most significant external challenge faced by organisations across industries. Companies must continuously adapt to changing sanctions regimes and export control regulations, both of which can differ considerably between jurisdictions. In particular, export controls have recently been implemented unilaterally by certain countries, adding further complexity to compliance efforts.

Data Insights

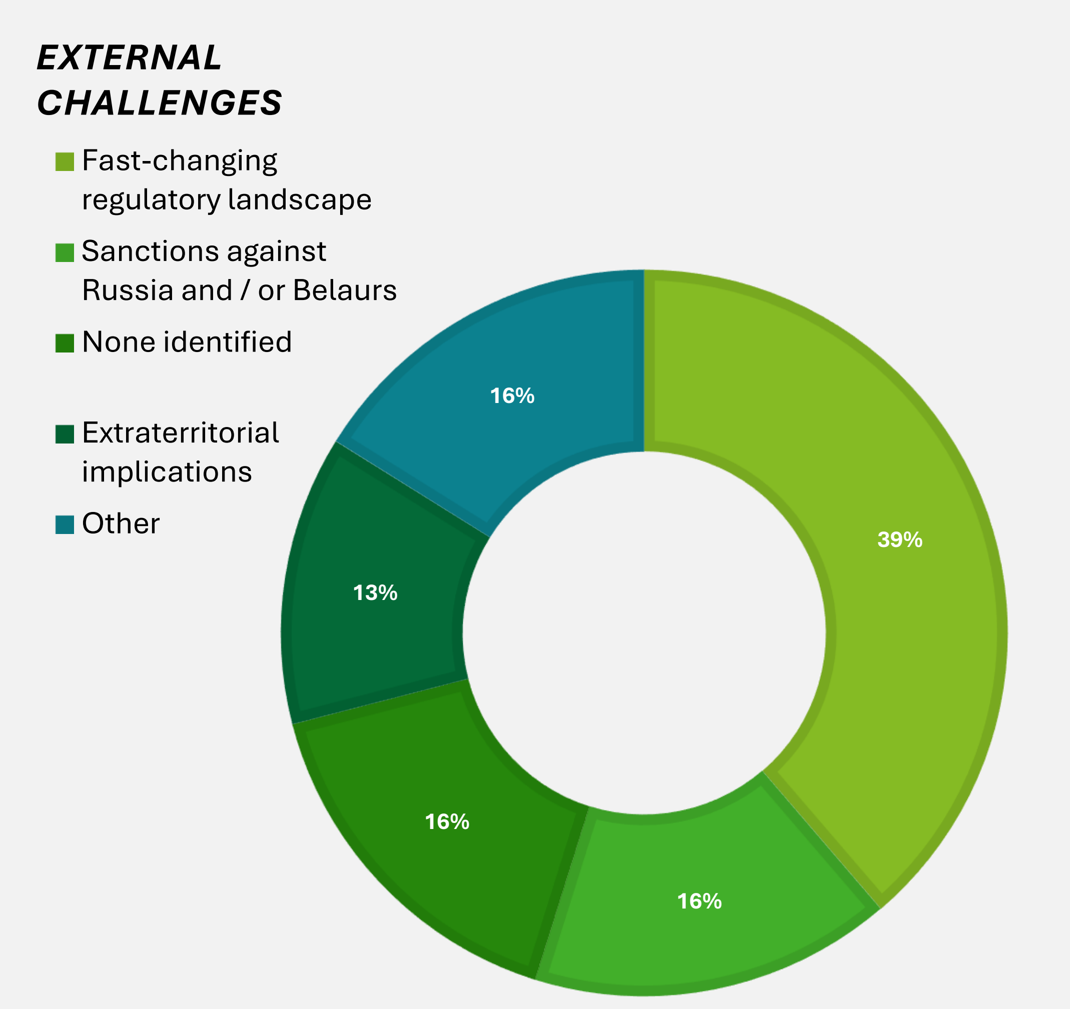
Companies have ranked the main external challenges impacting their ability to maintain compliance:

1. **Fast-changing Regulatory Landscape:** The top challenge, with regulatory changes becoming more frequent and complex due to geopolitical, economic, and technological shifts. Companies struggle to keep pace with new requirements across jurisdictions, often with limited time to respond.
2. **Sanctions against Russia and/or Belarus:** Close behind the comprehensive sanctions regulations from many jurisdictions, including Switzerland, still poses a great challenge to exporting companies.
3. **Extraterritorial Implications:** Navigating extraterritorial regulatory regimes simultaneously adds further complexity and requires sophisticated compliance frameworks.

Deloitte's Interpretation and Potential Implications

The ranking of these challenges demonstrates that Swiss companies must proactively strengthen their compliance capabilities to remain resilient in a rapidly evolving regulatory environment. In particular, sanctions related to Russia and Belarus continue to pose a significant challenge for companies, especially as the regulations are extended multiple times a year in various jurisdictions, including by Switzerland. Partly, these provisions even impact transactions not related to Russia and/or Belarus at all.

organisations may invest in agile compliance frameworks and ensure their teams have up-to-date expertise to interpret and implement new requirements effectively. Deloitte observed a significant increase in investments in regulatory monitoring tools and services.



4. Data Analysis

Use of Technology and Automation

At a Glance

AI and technology can support export controls and sanctions compliance by improving accuracy, efficiency, and risk management. The survey results show many Swiss companies have yet to adopt even basic automation, such as automated Sanctioned Party Lists (SPL) screening, though many recognise the growing importance of AI and data analytics in enhancing compliance and operations.

Data Insights

Survey data reveals varying levels of automation adoption among Swiss companies:

- 68% have implemented automated SPL screening, with the majority also taking ownership and control lists into account. However, a significant proportion still rely on manual SPL screening processes, while others either do not conduct SPL screening at all or are unsure whether such processes exist within their organisation.
- When asked which technological trend would benefit their company most, half of the respondents prioritised expanded AI applications in Export Control Classification, a third highlighted the need for enhanced Data Analytics of master and transactional data, whereas only very few saw AI as valuable for improving SPL screening, where automation is already somewhat prevalent.

Deloitte's Interpretation and Potential Implications

Performing screening of business partners has become a legal imperative, driven by increasing regulatory scrutiny and the significant risks associated with non-compliance. Investing in integrated, automated trade compliance tools is increasingly important for enhancing both accuracy and operational efficiency. Beyond standard SPLs, organisations should also obtain ownership and control lists. These are crucial for identifying indirectly sanctioned parties, ensuring a more comprehensive and legally sound screening process. This is key given the rise in sanction circumvention enforcement cases, the consolidation of circumvention prohibitions, and the seemingly expanding interpretation of indirect control in the EU and Switzerland. Although AI in SPL screening is not a primary focus for companies, Deloitte views this as a key opportunity to enhance accuracy and reduce non-compliance risks through improved automated screening. Companies not yet conducting SPL screening should assess options based on their size (in-house vs outsourced), risk exposure (e.g., dealings with sanctioned countries), and screening frequency (daily vs ad-hoc). Tailoring the approach to these factors helps build an effective, proportionate compliance programme.

48%

feel expanded use of AI-driven applications in Export Control Classification would benefit their organisation

32%

Would benefit most from enhanced data analytics of both master and transactional data to identify export control and sanction risks

68% of respondents use automated solutions for screening Sanctioned Parties

32% of respondents do not use automated solutions or are not fully certain

4. Data Analysis

Exposure to Export Controls

At a Glance

Many companies are engaged in the manufacture or trade of dual-use goods, which subjects them to complex export control requirements and licensing obligations. Separately, a significant number also operate in sanctioned countries, particularly Russia, exposing them to additional sanctions regulations and compliance risks. In both cases, the evolving regulatory landscape creates significant challenges, making robust compliance programmes essential for effective risk management and adherence to international standards.

Data Insights

- Almost half of the surveyed companies are involved in manufacturing or trading dual-use goods, which subjects them to extensive export control requirements, including the need for export licensing.
- Additionally, over one-third operate in at least one sanctioned country, primarily Russia, thereby facing comprehensive sanctions obligations.

Deloitte's Interpretation and Potential Implications

The involvement of many companies in dual-use goods highlights the need for strong export control compliance, including effective licensing processes to manage legal and reputational risks. This makes a robust Internal Compliance programme (ICP) a non-negotiable element for ensuring ongoing adherence and risk mitigation.

A significant number also operate in sanctioned countries, making navigation of the complex and evolving sanctions landscape, especially regarding intracompany services (i.e., IT and management services to and for use in sanctioned countries), particularly challenging. This environment requires a very mature compliance programme with rigorous screening, continuous monitoring, and enhanced due diligence to avoid non-compliance and associated penalties.

48% **mention manufacturing or trading goods classified as dual-use, with *10%* unaware if they handle any dual-use goods.**

35% **of questioned companies still operate in comprehensively sanctioned countries, with *36%* of those respondents reporting having *no ICP* in place.**

4. Data Analysis

Enforcement

At a Glance

Compliance risks related to export controls and trade sanctions vary across jurisdictions, shaping how Swiss companies prioritise their efforts. The survey highlights the US as the main jurisdiction of concern, due to its broad extraterritorial reach and strict enforcement, which increases pressure on Swiss firms to maintain high compliance standards. In response, most respondents would welcome regular audits by the Swiss State Secretariat for Economic Affairs (SECO), seeing them as a way to enhance compliance maturity, secure leadership support, and promote fair competition, while also helping companies better navigate international regulatory challenges.

Data Insights

- 55% of respondents identified the US as the jurisdiction posing the greatest concerns regarding investigations, penalties, and compliance challenges.
- The EU was the second most mentioned jurisdiction, with Switzerland third, suggesting both are seen as having lower enforcement intensity or regulatory pressure.
- Fewer than 7% of companies reported experiencing penalties or investigations in the past five years.
- 61% expressed support for periodic audits by SECO, citing benefits such as enhanced compliance maturity, stronger management commitment and budget allocation, and a more level playing field that encourages broader industry improvement.

Deloitte's Interpretation and Potential Implications

The US jurisdiction stands out as the foremost perceived compliance risk for Swiss companies, driven by its extraterritorial reach, higher penalties, and more rigorous enforcement compared to Switzerland. Publicly available data indicates that enforcement actions in Switzerland have been relatively limited, but there is increasing pressure from its trading partners to enhance enforcement efforts and align with international standards.

As a result, Swiss companies may integrate multi-jurisdictional requirements into their compliance programmes, assess how Swiss and other export controls and sanctions apply to their global operations, and remain vigilant to avoid penalties and reputational harm. The expected standards from SECO (CH) and international guidelines, such as those from the EU Commission and OFAC (US), regarding an appropriate and effective ICP are largely aligned, enabling companies to leverage the international momentum as a foundation to enhance their Swiss compliance standards.

61% **of respondents would welcome *more frequent audits by SECO* for various reasons, among them a potentially *increased management buy-in* regarding Trade Compliance.**

55% **of respondents reported the *United States* as jurisdiction posing the *greatest concern* regarding investigations, penalties, and compliance with export controls and trade sanctions, while only *6% cited Switzerland* as their primary concern.**

4. Data Analysis

Training and its Impact on Compliance effectiveness

At a Glance

Training is a critical component of effective export controls and trade sanctions compliance. The survey reveals a clear correlation between the frequency of training provided by companies and their ability to manage key compliance challenges, particularly those related to product knowledge and regulatory understanding.

Data Insights

- Regular training remains a key element of compliance programmes, with just under two-fifths of companies ensuring annual sessions for relevant staff.
- Companies that invest in more frequent training, at least every two years, tend to express greater confidence in their Internal Compliance programme's ability to manage trade compliance risks.
- A notable proportion of companies rely on less structured approaches, with over a quarter providing training only on an ad-hoc basis, and a smaller segment not offering in-house training at all.

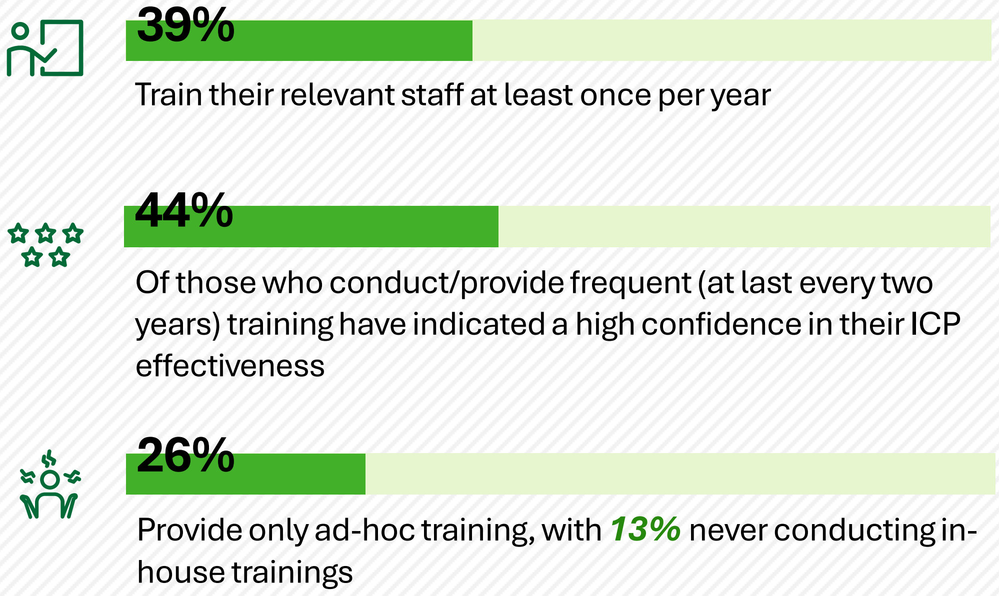
Deloitte's Interpretation and Potential Implications

Regular and structured training programmes equip employees with up-to-date knowledge of complex and evolving export control regulations and product classifications. This enhances their ability to accurately identify controlled items, assess risks, and apply compliance procedures consistently.

Frequent training also fosters a culture of compliance, encouraging proactive risk management and reducing the likelihood of errors or violations that could lead to penalties.

Companies should prioritise regular, role based and comprehensive training to build and sustain internal expertise. The role-based, frequent and up-to-date nature of state-of-the-art trainings may be most efficiently (and potentially cost-effectively) be delivered through eLearnings. Enhanced internal knowledge reduces reliance on suppliers or external consultants, improving efficiency and control. Well-trained personnel also contribute to stronger compliance programmes and lower risk of non-compliance. Training continues to be the most effective way to engage business units, such as sales – the so-called first line of defense – in adhering to trade compliance standards.

How effective would you rate your ICP in terms of mitigating Trade Compliance risks?



5. Authors, Contributors, Contacts

This survey was created by Deloitte Global Trade Advisory in Switzerland. For more information, please feel free to reach out to:

Hevin Demir

hedemir@deloitte.ch

Philipp Weber-Lortsch

pweberlortsch@deloitte.ch

Niklaus Fischer

ngfischer@deloitte.ch

Philipp Julian Wolf

philippjulianwolf@deloitte.ch

6. Footnotes, Methodological Disclosures

Note on Methodology

The survey was made publicly available through various official and industry channels to reach a diverse range of participants. It was conducted using a structured questionnaire designed to capture key insights aligned with the study objectives. Responses were collected anonymously upon request to ensure participant confidentiality and encourage candid feedback. A minimum of 30 responses was established to ensure the data collected is sufficiently representative for meaningful analysis. Standard data validation procedures were applied to ensure completeness and consistency, supporting the reliability and robustness of the insights derived from the survey findings.

Footnotes and Sources

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