Sworn Assayers System in Switzerland

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How it all began...

Why has Switzerland a consequent federal act on assaying, marking and trading precious metals?
Historical context I

• In the middle of the 19th century, Switzerland was a federal state with a largely decentralised power structure.

• No common rules or standards for precious metals.

Historical context II

- Lack of common provisions and standards for precious metals.
- Typical market failure symptoms (unfair competition, overreaching of customers, growing reputation risk).
- Helplessness of local authorities.
- Trade and industry urgently requested market regulation on national scale.
First Federal Act of 1880

Federal Act on the Control and Guarantee of the fineness of articles made of gold and silver

- Common standards of fineness for gold and silver
- Official marks became mandatory for gold and silver
- Running Assay Offices was in cantonal sovereignty
- Sworn assayers were in charge of assaying and marking articles and bars
- Charges without fiscal character (only cost-covering)
- Creation of a federal Office in charge of assayers training and supervising the assay offices’ work (office was part the Polytechnikum in Zurich, today ETH)
Trading of scraps – the problem

- Scrap was a kind of currency, sub-contractors and labourers were paid by scraps.
- Both, companies and employers were damaged, when scrap was manipulated.
- Theft and receiving stolen goods were common.
- The cantonal regulations proved to be ineffective.
Federal Act of 1886

Regulation of trading, smelting an assaying of gold and silver scraps

• License for trading, smelting and assaying scraps and bars of gold and silver

• Commercial Assayers needed the same federal diploma as the Assayers of the Assay Office

• All traded bars needed to be analysed and marked

• Mandatory bookkeeping on all physical transactions

• Supervision by cantonal and federal authorities foreseen
Second Federal Act of 1933

Federal Act on the Control of the Trade in Precious Metals and Precious Metal Articles

- All federal precious metals acts were merged into one
- Hallmarking of watch cases remained mandatory, jewellery became voluntary
- Registered responsibility marks became compulsory on all precious metal articles
- New fineness and official marks for gold, silver and platinum were introduced
- The Central Office for Precious Metals Control was defined as sector authority and was affiliated to the Directorate General of Customs
### Sworn Assayers’ Assignment

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<td>• Assaying melting products</td>
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<td>• Controlling and marking of precious metals articles (hallmarking)</td>
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Precious Metals Control

- Central Office for Precious Metals Control
  - Federal Assay Offices (and sub offices)
    - Biel
    - Zurich
    - Geneva
    - Chiasso
  - Cantonal Assay Office, La Chaux-de-Fonds
Licensed Commercial Assayers

- Cendres+Métaux Holding SA
- Metalor Technologies SA
- Argor-Heraeus SA
- Valcambi SA
- Pamp SA
- PX Précinox SA
- Varinor, Branch of Richemont International SA
- Cendror Récupération SA
- Ecometal SA
- Rolex SA
- SAR Recycling SA
How to become a Sworn Assayer

Basic Requirements for candidates are:

- At least 18 years old
- Having a good reputation (extract from police records)
- Having competences in science (mathematics, physics and chemistry)
- Not to suffer of achromatopsia (colour blindness)
- Competence in French language (official language)
- Contract of employment (either with a cantonal, federal Assay Office or with a Commercial Assayer)
Concept of the Assayers’ training program I

- Apprenticeship (training on the job combined with individual courses depending the qualification of the aspirant)
- Self-study
- Centralised courses
- Intermediate examinations
- Final examination
Concept of the Assayers’ training program II

1th year

Kick-off day (1 day)

Individual levelling up in mathematics, chemistry, physics

Employment in an Assay Office or with a Commercial Assayer: practical work and self study

2nd year

Course 1 (2 weeks)

Law + precious metals analysis

Intermediate Examination (2 days)

Course in Metallurgy (3 days)

3rd year

Course 2 (4 weeks)

Analytical chemistry

Diploma Examination part 1 (2 days)

Course 3 - (2 weeks)

Law + precious metals analysis

Diploma Examination part 2 (4 days)

Swearing-in ceremony – Federal diploma

Term paper, for PMC candidates only
Federal Examination Commission

A Federal Examination Commission is appointed for a four years period. It is composed of three members representing:

- the Central Office for Precious Metals Control
- the Federal Institute of Technology
- the precious metals industry (commercial assayers)

Last swearing-in ceremony in 2015
Benefits of the system

• Effectivity:
  – Public and private sector together play a role to achieve the aim of the act.

• Integrity:
  – Sworn Assayers are important for the confidence in the sector.

• Competence:
  – Assayers have a high level of competence, proven in a federal examination.
Conclusions

• The Federal Act on the Control of Precious Metals is an important regulatory framework that helps to ensure:
  • Fair trade in the sector;
  • Good reputation of Swiss products and services;
  • High confidence in the work place Switzerland;
  • High level of consumer protection.

• The Sworn Assayers play a key role in the application and enforcement of this act.
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