

Regulatory Update

APAC, August 2024

Issued 9th September 2024



1 August 2024 – MPC 04/2024 Consultation Paper on proposed legislative amendments to the requirements for enhancing pre and post-transaction safeguards for retail clients

The Monetary Authority of Singapore (MAS) has released a Consultation Paper proposing legislative amendments aimed at enhancing pre and post-transaction safeguards for retail clients. This follows an earlier consultation that closed on 24 August 2023, which outlined initial changes and sought feedback. The new paper seeks to refine these proposals and includes additional clarifications.

To view the Consultation Paper, please click [here](#).

5 August 2024 – Consultation Paper on proposed measures in relation to the provision of cross-border money transfer services to the People's Republic of China

MAS has issued a Consultation Paper regarding MAS Notice PSN11, which initially required licensed remittance companies to suspend the use of non-specified channels for cross-border money transfers to China from 1 January 2024 to 31 March 2024, with an extension until 30 September 2024. This suspension was prompted by issues such as funds being frozen or forfeited from accounts in China. MAS now proposes to extend this suspension indefinitely and broaden it to include all customers, not just individuals. The Consultation seeks feedback from remittance companies and other interested parties on these proposed changes.

To view the Consultation Paper, please click [here](#).

5 August 2024 – IID 03/2024 decommissioning of the Corporate E-Lodgment portal

The [Corporate e-Lodgment \(CeL\) portal](#), which has been used for submitting fund management licence applications and regulatory forms since 2012, will be decommissioned on 1 September 2024. FMCs are to download any submissions made via CeL in the past 12 months before 31 August 2024 for record keeping purposes. With effect from 1 September 2024, FMCs are to submit Form 11, Form 25A, and Change in Particulars through [MAS-Tx](#), with licence applications moving to eLicensing. MAS-Tx will eventually replace the MASNet portal by Q2 2025, consolidating access to submissions under a single login. In the interim, FMCs are to continue using MASNet and ensure the set-up of CorpPass for MAS-Tx to avoid disruption.

12 August 2024 – FDD Cir 06/2024 Financial Sector Incentive (FSI) – inclusion of services related to carbon credit trading and revision of Credit Facilities Syndication (CFS) forms

In the recent Budget 2023, the Financial Sector Incentive (FSI) scheme has been expanded and refined to enhance its effectiveness and simplify compliance processes. Key updates include the inclusion of carbon credit trading services and revisions to the Credit Facilities Syndication (CFS) forms.

1. Inclusion of carbon credit services

Effective from 15 February 2023, the FSI-Standard Tier (FSI-ST) now covers income from intermediary services related to carbon credit transactions. This change reflects industry feedback and aims to support Singapore's role as a carbon trading hub by incorporating activities such as brokerage services into the qualifying activities under FSI-ST.

2. Simplified CFS forms

Significant changes to the FSI-CFS forms, effective from 1 October 2024, aim to streamline the submission process:

- **Removal of Syndication Declaration:** the requirement to submit a Syndication Declaration to MAS is removed. This simplifies the process, focusing instead on the final syndication of the loan.
- **Extended submission deadline for Return A:** agent banks now have up to two months from the loan signing or syndication completion to submit Return A, compared to the previous one month. For non-syndicated facilities, the deadline extends to eight months from the signing date.
- **Self-assessment for Return A:** agent banks can now self-assess the qualification of syndicated loans and make declarations without obtaining signed confirmations from arrangers. The requirement for submission of Return A is limited to qualifying syndicated facilities only.
- **Simplified Return B:** the scope of changes reported in Return B is narrowed to those affecting Singapore-based financial institutions. Updates are only required if a loan's size drops below \$20 million. Additionally, the need to analyse the tax impact of changes is removed, though correct tax claims must still be made.

For further details on the eligibility criteria for the FSI-CFS scheme, please refer to Annex 4 of the Circular.

15 August 2024 – Consultation Paper on proposed amendments to requirements for preparation of financial statements and reports under the Code on Collective Investment Schemes

This Consultation Paper seeks views on the proposals to (i) require authorised schemes (including REITs) to prepare their financial statements in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") instead of the Statement of Recommended Accounting Practice 7: Reporting Framework for Investment Funds ("RAP 7"), and (ii) retain certain disclosures required by RAP 7 but are not required by SFRS(I) by prescribing these disclosures in the Code on Collective Investment Schemes.

Please refer [here](#) for more information.

15 August 2024 – SLD01/2024 Survey on Express Trust and Guidance Note relating to Trustees' Prevention of Money Laundering, Countering the Financing of Terrorism and Countering Proliferation Financing Obligations

Singapore is a member of the Financial Action Task Force ("FATF"), which establishes international standards for AML/CFT. The FATF periodically assesses its members against these standards. Responses to this survey

are crucial as financial institutions such as licensed trust companies, banks, fund managers may form business relationships or enter into transactions with trustees. The findings will aid Singapore's understanding of the risk profile of trusts.

This survey is intended to assist the Ministry of Law in understanding, among other things, how express trusts are used, including their frequency, and the risks these trusts may pose from an AML/CFT perspective.

The Survey on Express Trusts should be completed by an authorised representative of the Company by **6 September 2024**.

To access the survey, please refer to this [link](#).

19 August 2024 – issuance of Prohibition Order against Mr. Aw Jun Ray, Reko Corinthians for corruption, drug trafficking and other serious crimes (Confiscation of Benefits) Act (CDSA) offences

On 19 August 2024, MAS imposed a one-year prohibition order on Mr. Aw Jun Ray, a former representative of HSBC Bank. This action follows Mr. Aw's prior investigation for offences under the corruption, drug trafficking and other serious crimes (Confiscation of Benefits) Act (CDSA) and a 24-month conditional warning issued by the Singapore Police Force in July 2022. Mr. Aw failed to disclose this warning in his fit and proper declaration to HSBC when applying for a new role, violating the Financial Advisers Act (FAA) and the Securities and Futures Act (SFA). The prohibition order bars him from providing financial advisory services, participating in the management or becoming a substantial shareholder of financial advisory or capital markets services firms for one year.

To view the Enforcement Action, please click [here](#).

19 August 2024 – issuance of Prohibition Order against Mr. Hoi Wei Kit

On 19 August 2024, MAS issued a nine-year prohibition order against Mr. Hoi Wei Kit, a former representative of OCBC Bank, following his conviction for fraud and related offences under the Penal Code and the Corruption, Drug Trafficking and Other Serious Crimes Act. Between October 2017 and January 2018, Mr. Hoi defrauded five OCBC customers out of \$170,000 by creating fictitious time deposit accounts. He was convicted in February 2022 on multiple counts, including cheating and acquiring benefits from criminal conduct, and sentenced to 30 months in prison. The prohibition order bars him from providing financial advisory services or participating in the management of financial advisory firms for nine years.

To view the Enforcement Action, please click [here](#).

CCL Compliance is now Waystone Compliance Solutions

Titan Regulation, Argus Global, CCL Compliance and ISAS are now Waystone Compliance Solutions who offer a new and unique approach to compliance services at a corporate level.

Formed by merging four specialist compliance companies – we have the capabilities to help you manage regulatory risk right across your organisation.

We can provide key services from initial registration and licensing to compliance programme integration. Our compliance solutions span business strategies, market activities, operational and technology infrastructure not to mention sales and marketing procedures. And we can do so anywhere in the world.

Our aim at Waystone is simple: to enable our clients to navigate the complex regulatory environment with confidence.

At Waystone, we have brought together the experience, the expertise and the global reach to give you the certainty you need to address the ever-changing regulatory world. And by doing so, provide you with a secure route on the road to success.

<https://compliance.waystone.com/>

Consultancy Services & Support

- [Regulatory Technology – CORE](#)
- [Compliance Advisory](#)
- [Assurance Reviews](#)
- [Compliance Remediation](#)
- [Compliance Support Services](#)
- [Documentation](#)
- [Financial Crime Prevention](#)
- [Corporate Governance](#)
- [Risk Management](#)
 - [FCA Authorisation](#)
 - [Prudential Rules & Regulatory Reporting](#)
 - Hot Topics
- COVID-19
- Senior Managers & Certification Regime (SM&CR)
- Fifth Anti-money Laundering Directive (5MLD)

If you wish to discuss how Waystone can assist you with any of the issues raised in this regulatory update, please contact us the details below:

Email: compliancesolutions@waystone.com

Website: <https://compliance.waystone.com/>

Tel: Dubai +971 4 323 0800 | Abu Dhabi +971 2 440 2146

or write to us at:

Waystone Compliance Solutions
Level 2, Gate Village Building 7,
Dubai International Financial Centre (DIFC),
Dubai, PO Box 506733,
United Arab Emirates

This Regulatory Update provides information about the consultative documents and publications issued by various regulators which are still current, proposed changes to the Rules and Guidance set out in Handbooks, actual changes to Rules and Guidance that have occurred in the months leading up to the update and other matters of relevance to regulated firms. This Regulatory Update is intended to provide general summarised guidance only, and no action should be taken in reliance on it without specific reference to the regulators' document referred to therein.