ASSOCIATION OF BANKS IN SINGAPORE FINANCIAL CRIME SEMINAR 2025

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CASSIA MAIN BALLROOM, MARINA BAY SANDS EXPO & CONVENTION CENTRE

Distinguished Guests

Ladies and Gentlemen

INTRODUCTION

1. A very good morning. I am pleased to join you at this year's Financial Crime Seminar, the ABS flagship event that has grown to become Singapore's leading anti-money laundering, countering the financing of terrorism and proliferation (AML/CFT) industry platform. I am also heartened to see participation expanding beyond the banking sector, reflecting the growing recognition for a whole-of-ecosystem approach in tackling financial crime.

2. This morning, I would like to reflect on the **past**, **present** and **future** of our financial crime efforts, and touching on our strong enforcement outcomes for Singapore's major ML case, our ongoing Financial Action Task Force (FATF) Mutual Evaluation and our upcoming anti-financial crime initiatives.

THE PAST – STRENGHTH OF OUR SYSTEM

3. The developments over the past year have underscored the strength and responsiveness of Singapore's AML regime.

    A. The case involving S$3 billion in seized assets showed how our whole-of-government system acted swiftly and robustly when supported by robust financial intelligence, effective enforcement capabilities, strong inter-agency coordination, and vigilant sector gatekeepers.

I. Since Senior Minister of State Sun Xueling's keynote address last year, Singapore has taken further decisive follow-up actions on the case.

a) Assets worth S$1.85 billion have been surrendered to the state by 15 out of 17 foreigners who were on the run from the Police, with investigations into remaining two ongoing. This brings the total amount forfeited to the state to S$2.8 billion, making it Singapore's largest money laundering case to date.

b) We also took a number of regulatory and enforcement actions across multiple sectors. For instance:

i. Nine financial institutions (FIs) were imposed with composition penalties amounting to $27.45 million for breaches of MAS AML requirements in relation to the case. MAS also took action against 18 individuals, who were involved in managing the FIs' relationships with the persons of interests.

ii. Two real estate salespersons were also censured and fined for failure to conduct customer due diligence measures on clients connected to the case.

iii. Enforcement actions were also taken against law firms and lawyers involved in the conveyancing of the real estate properties seized for breaches of their AML obligations. The sanctions include financial penalties against law firms, and referral of lawyers to Law Society for further investigation under disciplinary proceedings.

c) These actions, and other potential further actions among the non-financial sector gatekeepers, underscore our resolve to hold all parties accountable if they fall short of their AML obligations. Being in the frontline of the war against illicit financial flows attempting to come into or flow through our financial system, your vigilance is

not just important but indispensable. Your integrity, vigilance and your willingness to partner with the authorities and act quickly play a critical difference in safeguarding Singapore's financial system.

d) My Deputy Director, Ian Wong, from the Suspicious Transaction Reporting Office (STRO), will speak more from STRO's perspective on the case, including how financial intelligence filed by your institutions have contributed to the Government's detection of this case.

B. Just as critical as enforcement is our ongoing collaboration with industry. Our sustained collaboration, including through the AML/CFT Industry Partnership (ACIP), has been instrumental in reinforcing the strength of our system.

I. In the past 18 months alone, ACIP had issued five best practice papers covering a wide range of topics: (i) Source of Wealth Due Diligence, (ii) Risks in Wealth Management, (iii) Countering Proliferation Financing, (iv) Managing money laundering, terrorism financing and proliferation financing (ML/TF/PF) risks associated with referrals from Corporate Service Providers (CSPs) and (v) Leveraging on Data Analytics and Machine learning methods for AML/CFT.

II. These papers reflect the depth and maturity of the engagement at ACIP. The close collaboration with you have enabled us to co-develop practical guidance that is rooted in operational realities, supporting your institutions to sharpen your risk-based approaches to manage ML/TF/PF risks.

C. These developments highlight the robustness of Singapore's financial crime framework. It is one that is anchored in whole-of government coordination and a valuable, trusted partnership with industry. Whether through decisive enforcement action or ongoing collaboration in public-private partnerships platforms such as ACIP, they reflect a system that is both forward-leaning and agile in managing financial crime risks.

D. To stay ahead of the evolving criminal landscape, we have continued to sharpen our legal and operational tools in the fight against financial crime. In the second half of 2024, we had passed laws to strengthen our enforcement capabilities.

I. One was game-changing amendments to the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (CDSA). These amendments robustly respond to the evolving nature of money laundering, where illicit funds are often layered through multiple bank accounts and intermediaries in foreign jurisdictions before entering Singapore. These complex transactions can obscure the origin of the criminal proceeds laundered, making it hard to prosecute ML cases. The amendments strengthened our ability to pursue ML from foreign predicate offences as the Prosecution will no longer need to prove that the monies allegedly laundered in Singapore were benefits from criminal conduct, nor show the complete trail.

II. Amendments to the Criminal Procedure Code (CPC) were also introduced to better deal with absconded persons who remain overseas to avoid investigation and prosecution. The amendments allow Singapore to confiscate criminal proceeds from suspects who refuse to return to Singapore to explain the provenance of their funds.

III. These enhancements ensure our legal framework remains fit-for-purpose and more importantly, allow us to act more swiftly than ever to meet the challenges of an increasingly complex financial crime landscape.

THE PRESENT – TAKING STOCK THROUGH THE FATF MUTUAL EVALUATION

4. About two weeks ago, Singapore concluded the on-site visit for our 5th round Financial Action Task Force (FATF) and Asia Pacific Group on Money-Laundering (APG) Mutual Evaluation (ME). This is a comprehensive assessment of our anti-money laundering, countering the financing of terrorism and counter-proliferation financing (AML/CFT/CPF) framework, conducted against significantly enhanced FATF Standards since our last mutual evaluation in 2015. The ME provided a timely opportunity to take stock of our progress and review the effectiveness of our regime against international standards.
5. We have taken the opportunity to showcase our novel dynamic risk assessment and mitigation approach, strong inter-agency and private sector partnership, how law enforcement continues to enhance our capabilities to combat cross-border crimes, and how our financial sector has continued to mature in their ML/TF/PF risk mitigation.
6. Apart from regulators and law enforcement, the FATF assessors, who are experienced AML/CFT practitioners themselves, were keen to engage with the whole AML/CFT/CPF ecosystem, including representatives from the financial sector and Designated Non-Financial Businesses and Professions (DNFBPs), to understand how well the private sector recognizes and understands Singapore's risks and threats. Some of you here today have been part of the process, and we are grateful for your support in this rigorous FATF process.
7. While the on-site has concluded, the ME process is far from over. It will take some time before our report is finalised, adopted, and eventually published. However, this has been an important opportunity to take stock of where we stand. The real benefit of the assessment is not just about getting good grades but the learning garnered by respecting the process. Our learning journey must be relentless; we cannot stop and rest because our common enemy who threaten the integrity of our financial system never rests, and continue to innovate. Hence, so must we.

THE FUTURE – STAYING AHEAD

8. While we have confidence in you and the safeguards in our system, we are also clear-eyed about the challenges that lie ahead. Criminals and the financial crime landscape is becoming more complicated and cross-border, and no single government agency or institution can succeed on their own.
9. The trust we have built over the years, between public and private sectors, as well as between national authorities, will be our critical enablers. As seen by our responses to past attacks on our banking system, it allows us to move even faster, share meaningful intelligence, and respond collectively to emerging and evolving risks.
10. A key area where this collaboration has been particularly impactful is our collective fight against scams. The scam landscape continues to grow in scale and complexity, with total scam cases in 2024 rising to over 51,000 and losses surging to S$1.1 billion in Singapore. Notably, cryptocurrency-related losses have increased sharply, forming 24.3% of total scams losses in 2024, up from just 6.8% in 2023. These numbers while exciting to those numerically inclined amongst us, they do not tell the whole story. Behind every scam number is a victim who, in many cases, has lost everything to scammers, with devastating impact on them and their families. Tomorrow, my Assistant Director of Anti-Scam Command, Aileen Yap, will share more on the modus operandi of criminals and trends of scam cases.
11. The surge in scam losses and growing use of complex methods reflect the increasingly sophisticated and fast-moving payment methods employed by scam syndicates. These evolving tactics make agile public-private cooperation more critical than ever.
    A. Financial institutions are often the first line of defence and our strong partnership with financial institutions and other stakeholders allow us to coordinate closely and respond dynamically to prevent scam situations from escalating. For example, the co-location of bank staff at the Police's Anti-Scam Centre help to facilitate rapid account freezing and fund recovery operations. When the initiative began in 2022, only six banks were co-located at the centre[1]. We have since expanded the

[1] The six banks are DBS, OCBC, UOB, SCB, HSBC and CIMB.

collaboration, with GXS Bank joining us recently in March 2025. This is a critical advantage in the race against professional money launderers working for well-organised scam syndicates.

B. In addition to banks, we have also taken targeted enforcement actions in other domains such as cryptocurrency operators, to disrupt ML activities. Earlier this year, the Anti-Scam Centre had its first enforcement operation collaboration with a digital payment service provider (DPSP) to enhance our detection capabilities. By partnering the DPSP, advanced technology solutions were used to proactively flag potentially suspicious cryptocurrency accounts. This contributed to the detection of accounts suspected to be involved in the laundering of scam proceeds that we did not know about.

12. As criminals innovate, it is imperative for us to innovate. Trust has been the foundation of our public-private partnerships to enable open and meaningful collaboration in the fight against financial crime. We established ACIP in 2017 as a collaborative platform to share key insights and work together on live cases.

13. Since then, we have deepened this trust through initiatives such as the Anti-Scam Centre and Collaborative Sharing of Money Laundering /TF Information & Cases (COSMIC). These platforms worked because they are anchored on mutual trust, shared responsibility, and a collective will to combat financial crime. It has contributed to greater sharing of data, fostering a two-way flow of timely and actionable information between government and industry which enhanced our agility to respond to financial crime.

14. In our next bound, together with some of you present here today, we are building a platform that will allow further sharing of scams-related data points and guidance for the industry on risk mitigation measures.

CONCLUSION

15. Let me close by thanking all our partners for your steadfast support and unwavering dedication to our shared fight against financial crime.
16. Over the past year, this strong collaboration across the ecosystem has enabled us to respond swiftly to complex threats and emerging risks.
17. Our ongoing FATF mutual evaluation was a timely reminder that safeguarding the financial system is a collective effort. It requires everyone, from law enforcement, financial intelligence unit, financial institutions to DNFPBs, to recognise and take ownership of the risks we face.
18. Looking ahead, new threats and criminals will continue to test our defences. But the foundation of trust we have built over the years put us in a strong position to detect and respond to these threats.
19. Thank you again for walking this journey with us and for your continued partnership as we push forward to combat financial crime together.