

**2022**  
**SINGAPORE**

# NATIONAL STRATEGY FOR COUNTERING THE FINANCING OF TERRORISM (CFT)



# INTRODUCTION

Singapore published its Terrorism Financing (TF) National Risk Assessment (NRA) in December 2020. The TF NRA presented an updated overview of Singapore's TF risk environment and identified the key TF threats and vulnerability areas to address as part of the work of our national Countering the Financing of Terrorism (CFT) system.

## TF NRA Findings

2 The TF NRA revealed the following key TF threats and vulnerabilities that are particularly relevant to Singapore:

### a. Key TF Threats

- While we cannot discount the possibility of a terrorist attack in Singapore, Singapore assesses that the TF threat of raising and moving of funds in support of terrorists / terrorist organisations / terrorist activities overseas is currently of greater concern in Singapore's context.
- Radicalised individuals pose the most salient TF threat to Singapore.
- Singapore remains vigilant and cognisant of the global terrorism and TF threat posed by the Islamic State of Iraq and Syria (ISIS), Al-Qaeda (AQ) and Jemaah Islamiyah (JI), and we remain on the look-out for potential financing of other existing or new terrorist groups regionally and globally.

### b. Key TF Vulnerabilities

- Money remittance services and banks are inherently more vulnerable to TF threats, given the relative ease with which their services may be accessed, coupled with Singapore's connectivity as a financial and transport hub and proximity to countries exposed to terrorist activities.
- Related to its connectivity, Singapore is also vulnerable as a potential location for cash couriers to collect or move cash for delivery across borders.
- Digital payment token service providers (DPTSPs)<sup>1</sup>, precious stones and metals dealers (PSMDs) and non-profit organisations (NPOs) are also susceptible to TF in Singapore, particularly in light of the more nascent regulatory regimes for PSMDs and DPTSPs. International typologies also indicate

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<sup>1</sup> Or virtual assets service providers as they may be known elsewhere.

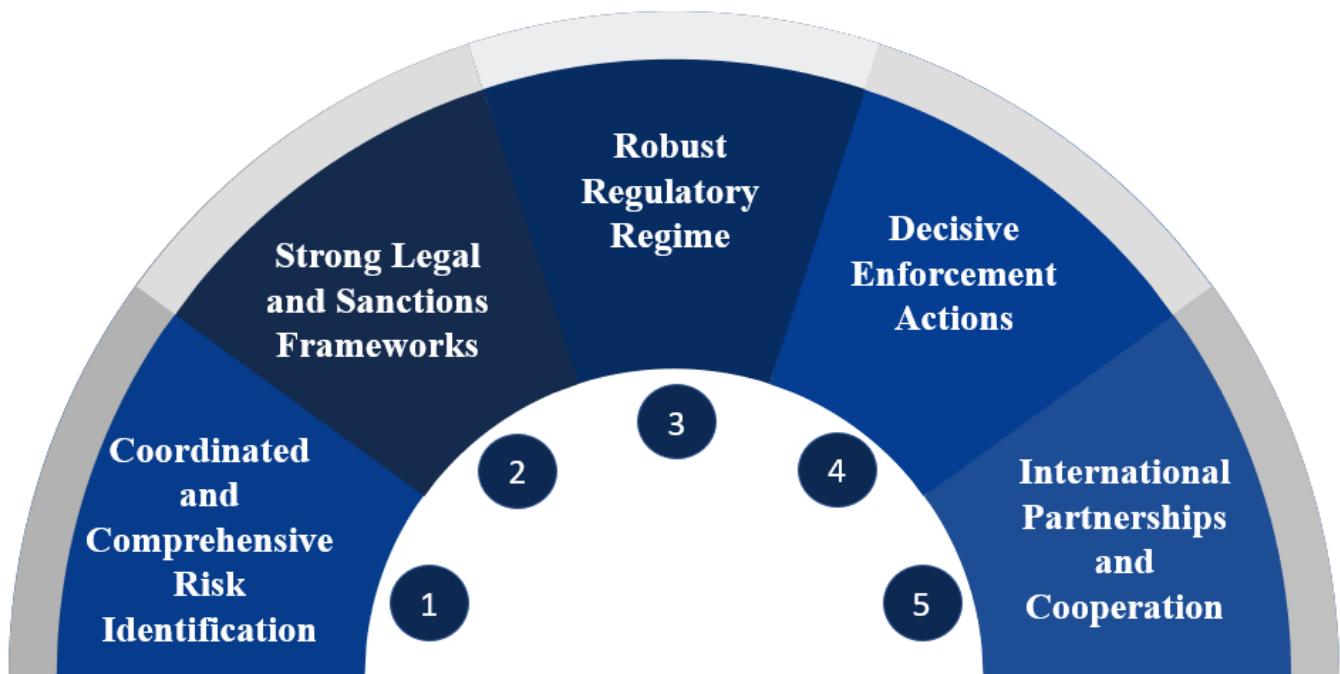
that virtual assets, for example digital payment tokens, have been used to support terrorist activities, and is an emerging area of risks that is being monitored by a number of authorities.

3 Singapore is committed to combatting TF through our continuous efforts to monitor and identify emerging TF threats and vulnerabilities. We continue to develop and implement effective and risk-targeted regulatory, supervisory, and enforcement measures to tackle TF risks.

4 This National CFT strategy is an extension of existing overarching policy statements of our anti-money laundering and CFT (AML/CFT) regime. As guided by the AML/CFT Steering Committee (SC), the National CFT strategy has taken into consideration the findings of the TF NRA 2020 and forms the blueprint that outlines Singapore’s national approach to address our TF risks. It will pave the way for the development of a roadmap to translate our strategies into actions as well as serve to guide the development of future action plans, in this ever-evolving terrorism and TF operational landscape.

5 We have adopted a five-point strategy which comprehensively covers risk identification and management and mitigation measures. Where necessary, relevant law enforcement, policy and supervisory agencies have also adopted action plans that are complementary to the National CFT strategy.

## Singapore’s Five-Point CFT Strategy



## Point 1: Coordinated and Comprehensive Risk Identification

**To identify our TF risks, Singapore maintains strong inter-agency coordination and has well established cooperation committees and networks. Agencies work together to review the TF landscape regularly, taking into account current typologies as well as international standards and requirements set by international bodies such as the Financial Action Task Force (FATF) and the United Nations (UN).**

### Strategy in Action

1.1 Singapore adopts a Whole-of-Government (WOG) approach to combatting money laundering (ML), TF and proliferation financing (PF). This is led by a high-level committee, the AML/CFT SC, comprising the Permanent Secretary of the Ministry of Home Affairs (MHA), Permanent Secretary of the Ministry of Finance (MOF) and Managing Director of the Monetary Authority of Singapore (MAS). More than 15 government agencies, including the Internal Security Department (ISD), the Commercial Affairs Department (CAD), the Suspicious Transaction Reporting Office (STRO), sectoral supervisors from the financial, NPO and PSMD sectors, are represented at a senior level in the AML/CFT SC. This ensures high-level policy direction and commitment to action across agencies. The operational work of the AML/CFT SC is supported by the Inter-Agency Committee (IAC) co-chaired by senior officials from MHA and MAS.

1.2 The Risks and Typologies Inter-Agency Group (RTIG), led by MHA and MAS, was formed in 2017 to specifically oversee the identification, assessment and mitigation of TF,

ML and PF risks at the WOG level. The RTIG comprises all relevant supervisory, regulatory, law enforcement and policy agencies.

1.3 Singapore's understanding of our TF risks is also enhanced by the involvement of the private sector and academia. For example, in 2020, MHA collaborated with the International Centre for Political Violence and Terrorism Research under the S. Rajaratnam School of International Studies (RSIS) to conduct a regional TF risk assessment of South Asia and Southeast Asia, which outlined known TF typologies in these regions.

### Looking Ahead

1.4 As the global terrorism and TF landscape continues to evolve, Singapore remains vigilant to existing and emerging threats and vulnerabilities through our comprehensive WOG approach to monitor, identify and assess TF risks. Relevant agencies that oversee different sectors and areas have established a holistic approach to developing AML/CFT strategies. The development of the strategies takes into account ground observations of ongoing trends, external perspectives from agencies' engagements with foreign counterparts

and national strategic interests and considerations. Singapore's participation in relevant international and regional platforms further yields deeper insights into emerging global and regional typologies. This holistic approach allows us to continue to evaluate and assess our TF threats and vulnerabilities regularly, as well as prioritise these risk areas, so as to promptly address them in a coordinated fashion.

## Point 2: Strong Legal and Sanctions Frameworks

**To support the global fight against terror, Singapore’s overarching CFT policy objective is to ensure that terrorism is not financed from or through Singapore. This involves detecting, deterring, and preventing TF-related activities, including those related to the generation of funds, movement of funds and use of such funds to support terrorism purposes, whether in Singapore or overseas.**

### Strategy in Action

2.1 To achieve our CFT policy objectives, we have adopted the following frameworks:

2.2 **A comprehensive legal framework** is in place to enable law enforcement agencies (LEAs) to take swift and effective action against terrorists, terrorist organisations and their supporters, including financiers of terrorism. Key legislation to combat TF include the Terrorism (Suppression of Financing) Act 2002 (TSOFA) and the Internal Security Act 1960 (ISA). These Acts are regularly reviewed to ensure that they remain relevant and effective. For example, Parliament approved legislative enhancements to the TSOFA in 2018 which included raising the maximum penalty for TF offences.<sup>2</sup> This ensures that our laws provide

for proportionate punishment and are sufficiently effective at deterring TF-related offences.

2.3 **A targeted financial sanctions framework**, which automatically takes into account new UN designations, and is in line with the FATF standards, the United Nations Security Council Resolutions (UNSCRs) and related Conventions against terrorism and TF.<sup>3</sup> This is supported by a clear policy framework to identify and designate terrorists. The Inter-Ministry Committee on Terrorist Designation (IMC-TD) was established as the designated authority and is the competent authority responsible for the designation of terrorists, overseeing the listing/delisting of terrorists, and coordinating the freezing/unfreezing of terrorist funds and assets in accordance with the relevant UNSCRs.

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<sup>2</sup> The key legislative enhancements to the TSOFA include:

- Expanding the prohibition of TF activities to include the financing of terrorism training.
- Raising the maximum penalty for TF offences (from \$1 million to higher of \$1 million or twice the value of the offending property, service or transaction.)
- Raising the maximum penalties for not disclosing information related to TF to the Police to up to \$1 million or twice the value of the offending property.
- Raising the maximum penalties for disclosing information that might compromise a TF investigation

under section 10B(1) and (2) to a fine of \$250,000 and/or five years’ imprisonment.

- Enhancing penalties to make a person who abets, conspires or attempts to commit a TF offence under sections 3, 4, 5 or 6 of the Act liable to the same punishment as if the person had committed the offence under the applicable section.

<sup>3</sup> The FATF is the global standard setter on combatting money laundering and the financing of terrorism and proliferation of weapons of mass destruction.

## Looking Ahead

2.4 These frameworks guide agencies' actions in their domains to achieve the overall CFT policy objectives. Singapore ensures that the rules and guidelines within these frameworks remain relevant and effective against the ever-evolving threat of terrorism and TF.

## Point 3: Robust Regulatory Regime and Risk Targeted Supervisory Framework

**Singapore has implemented a robust AML/CFT regulatory framework as well as a strong risk focused supervisory framework for financial institutions (FIs), designated non-financial businesses and professions (DNFBPs) and NPOs to:**

- (i) manage the ML/TF risks arising from their activities,**
- (ii) ensure that such risks are adequately mitigated, and**
- (iii) monitor and supervise these entities for compliance with their AML/CFT requirements.**

**Supervisors adopt a risk-based approach, target their supervisory efforts at higher risk entities, and take timely steps, in cooperation with STRO, Singapore's Financial Intelligence Units (FIUs) and LEAs, to share TF risk information with the industry. Supervisors have also established contacts and mechanisms to cooperate and exchange relevant supervisory information between themselves and the industry as necessary.**

3.1 More specifically, respective sector supervisors have taken a range of actions to mitigate the TF risks arising from their sectors' activities. This includes the following:

- (i) Effective and comprehensive sectoral AML/CFT requirements** that are aligned with the FATF Standards and international best practices;
- (ii) Enhanced surveillance and supervisory activities** that are focused on higher TF risk areas/entities, including requiring remediation measures where weaknesses are found and taking proportionate and dissuasive supervisory actions where breaches are noted; and
- (iii) Engaging the industry** through targeted outreach and industry cooperation initiatives to raise TF awareness.

3.2 Supervisors also regularly review the AML/CFT laws and the supervisory approach taken for their respective sectors, to ensure that they remain relevant and effective. The outcomes and effectiveness of CFT measures taken by supervisors are also monitored by the AML/CFT SC and the IAC.



## Strategy in Action

### **Effective and comprehensive sectoral AML/CFT requirements aligned with the FATF standards and international best practices**

3.3 FIs<sup>4</sup>, DNFBPs and NPOs are subject to sectoral AML/CFT requirements and guidelines issued by supervisors on measures to mitigate ML/TF risks. These include the need to identify and verify the customers, beneficial owners and beneficiaries (where relevant), perform ongoing monitoring and regular customer due diligence (CDD), including enhanced due diligence measures for higher risk customers, conduct screening to promote compliance with CFT requirements, and file suspicious transaction report/s (STR) to STRO promptly. The sectoral AML/CFT requirements and guidelines are regularly reviewed to ensure that they remain relevant and effective in mitigating ML/TF risks and are aligned with the FATF standards and international best practices.

3.4 Sector supervisors are also attuned to evolving risks and developments and have responded proactively to mitigate TF risks. For example, MAS introduced the Payment Services Act 2019 (PS Act) in January 2020 and corresponding AML/CFT requirements to address the ML/TF risks arising from new payment services, such as digital payment token (DPT) services, given the inherent ML/TF risks posed by such services.<sup>5</sup> Further amendments to the PS Act

were passed in Parliament in January 2021 to expand the definitions of DPT services and cross-border money transfer services, so as to better mitigate ML/TF risks and align Singapore's regime for virtual asset service providers with the FATF standards.<sup>6</sup> Similarly, to raise the AML/CFT standards in the precious stones and precious metals sector, the Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Act came into effect in April 2019 and empowered the Ministry of Law (MinLaw) to supervise the PSMD sector for ML/TF. The Anti-Money Laundering/Countering the Financing of Terrorism Division (ACD), a new sector supervisor established under MinLaw, subjects the PSMD sector to a full suite of AML/CFT requirements.

### **Enhanced surveillance and supervisory activities targeting at-risk areas**

3.5 Sector supervisors take a risk-based approach in supervising and monitoring the sectors for compliance with AML/CFT requirements. Enhanced and targeted supervisory activities are also applied on sectors and entities that are inherently more exposed to TF abuse. For example, in conjunction with the TF NRA, MAS commenced a thematic review of at-risk money remittance, banking and payment sectors in 2021, to examine the effectiveness of their CFT processes and controls, including the use of more advanced monitoring capabilities to detect and trace fund flows linked to terrorist activities.

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<sup>4</sup> This would include digital payment token service providers which MAS also regulates and supervises as FIs.

<sup>5</sup> Given the nascent regulatory regime for the DPT sector and higher inherent ML/TF risks, MAS has required CDD to be conducted from the first dollar of all DPT transactions (i.e. there is no threshold below which CDD is not required, including for occasional transactions).

<sup>6</sup> MAS also amended the respective AML/CFT Notices for banks, merchant banks, finance companies, credit or charge card licenses and capital market services licenses on 1 March 2022, to clarify that MAS' AML/CFT requirements (including the Travel Rule) would apply when these entities provide a digital token service for its customers.

Following the TF thematic review, MAS will develop a guidance paper on sound CFT practices that all FIs, including DPTSPs, should review and adopt.

3.6 Where CFT control weaknesses are found, supervisors will take appropriate supervisory actions and follow-up with the regulated entities to ensure that remediation measures are taken in a timely manner. Supervisors will not hesitate to take firm actions against errant entities, including the imposition of a range of supervisory measures (e.g. warning or imposition of restrictive actions) and financial penalties, where control weaknesses or breaches of AML/CFT requirements are found.

3.7 In addition, sector supervisors, in partnership with the FIs and LEAs, perform monitoring and surveillance activities to proactively detect higher risk areas or entities. These include the monitoring of public open-source information on international and regional terrorism and TF developments, and analysing data obtained from statutory returns submitted by the FIs/DNFBPs/NPOs, STRs and other available data sources (e.g. surveys and transaction data), as well as information from LEAs. For example, the Commissioner of Charities (COC) has been conducting periodic Sectoral Reviews since 2019, identifying charities with overseas activities/expenditures in FATF high-risk jurisdictions. These charities were reviewed to ensure that the appropriate AML/CFT procedures were in place. Higher risk charities that conduct overseas activities have been progressively taking steps to put in place formal AML/CFT policies and procedures and furnish such documents for the COC's review.

### **Targeted TF outreach and industry cooperation initiatives**

3.8 Supervisors conduct outreach, in collaboration with relevant authorities, to keep their sectors abreast of changes to key TF risks and threats to Singapore. Targeted engagement sessions are also held for the higher risk sectors. For example, MAS conducted webinars and engagement sessions for relevant financial sub-sectors, including banks, remittance agents and DPTSPs, to educate the sub-sectors on AML/CFT requirements and MAS' supervisory expectations. MAS also continues to work with financial industry players through platforms such as the AML/CFT Industry Partnership (ACIP) and the Association of Banks in Singapore (ABS) to raise industry ML/TF risk awareness. For instance, following the release of the TF NRA, CAD and experts shared Singapore's TF cases and regional TF risks at the ABS Financial Crime Seminar in July 2021. MAS similarly works with the payment and DPT sector to raise their ML/TF risk awareness.

3.9 In addition, STRO provides red-flag indicators to FIs, DNFBPs and NPOs to help them identify ML/TF risks and report suspicious transactions. STRO further conducts industry outreach to share case studies to enable entities to better detect and report suspicious transactions.

3.10 For the PSMD sector, ACD/MinLaw conducts compliance reviews and inspections to examine registered dealers' compliance with AML/CFT requirements and takes appropriate supervisory actions on the lapses identified. Registered dealers are required to address the AML/CFT weaknesses highlighted on a timely basis and firm actions will be taken against entities which failed to take remediation measures. Since April 2020, ACD/MinLaw regularly disseminates findings on emerging typologies and red flag indicators to relevant AML/CFT supervision, law

enforcement, policy and intelligence agencies. Based on the understanding of TF risks relevant to the PSMD sector, coupled with the findings from the surveillance and monitoring of the international, regional and domestic CFT situation in relation to the PSMD sector, ACD/MinLaw publishes updated red flag indicators to the sector. ACD/MinLaw's ongoing AML/CFT training for the sector also contains up-to-date cases detected from such findings.

## Looking Ahead

### **Sector supervisors will continuously review and take steps to strengthen the private sectors' awareness of TF risks and CFT controls through outreach, industry guidance and risk-focused supervision**

3.11 These include engagement sessions to enhance their understanding of TF risks that are relevant to the respective sectors and issuance of guidance on CFT requirements and best practices.

3.12 For example, as the regulatory regime for DPTSPs is relatively new, MAS' initial focus is on raising the entities' TF (and ML) risk awareness and strengthening their controls. As part of MAS' upcoming supervision of DPTSPs, MAS will also give attention to how DPTSPs effectively implement their CFT controls taking into account the risks of their activities. In addition, MAS will continue to engage the remittance, banking and other payment sectors on TF developments and risks.

3.13 For the charity sector, the COC plans to develop a TF risk mitigation toolkit to guide charities to assess their organisation's level of risk

to TF exploitation and to recommend mitigating measures which charities can adopt.

### **Sector supervisors will leverage data analytics and technological tools to enhance surveillance and supervisory activities**

3.14 For closer scrutiny, MAS' supervision of FIs is complemented by data analytics to detect and target higher risk activities and FIs involved. Alongside traditional information sources such as statutory returns and STRs, MAS will leverage and explore the use of new technologies to draw insights from data sources to enhance our supervisory activities. For example, transactional information on the public blockchain has allowed MAS to pro-actively detect unlicensed DPT activities for enforcement action and enhance its assessment of ML/TF risks for licensed entities. MAS has also worked closely with STRO to enhance the reporting template used for suspicious transaction reporting. The enhanced template is more structured and machine readable, thus enabling MAS to perform analysis and identify networks of related STRs and identify systemic threats in a more timely manner.

## Point 4: Decisive Law Enforcement Actions

**Singapore takes a serious view of anyone who supports, promotes, and/or makes preparations to undertake or undertakes armed violence, regardless of how they rationalise such violence or where the violence takes place. A zero-tolerance stance is taken against any TF activity.**

**Our LEAs will not hesitate to take, and have taken, swift and effective actions against terrorists, terrorist entities and their supporters, including financiers of terrorism.**

### Strategy in Action

4.1 All credible instances of TF are investigated and pursued as a distinct criminal activity. This includes, as necessary, commencing (i) independent investigations into TF allegations in the first instance, and (ii) parallel financial investigations to support counter terrorism investigations and/or identify further financial networks and commonalities, if any.

4.2 Singapore has an effective operational framework to investigate and prosecute TF cases. The Counter-Financing of Terrorism Branch (CFTB) of the CAD in Singapore Police Force is the lead unit responsible for investigating TF in Singapore and works closely with security and other relevant agencies to take decisive enforcement actions. Clear procedures and roles are established among the relevant domestic authorities.

4.3 As Singapore's domestic security and intelligence agency, **ISD** collects and analyses intelligence in relation to all terrorism-related activities, including the financing of terrorism. By

exchanging information with its foreign counterparts and through its own investigations, **ISD** contributes to the national effort by working closely with **CFTB** and other relevant agencies to share information and intelligence on TF matters. There are established work processes and communication channels to share information with domestic agencies.

4.4 Financial intelligence is integral to the detection and investigation of criminal activities, including TF. **STRO** is responsible for receiving and analysing STRs. To improve the quality of TF-related STRs filed by reporting entities, **STRO** conducts ongoing engagements with industry partners, including at-risk sectors; and publishes relevant and targeted guidance and red-flag indicators on terrorism/TF. Such ongoing engagements have led to a better general understanding of TF typologies and risk indicators, among the relevant stakeholders.

4.5 **CFTB** works closely with **ISD** and **STRO** to ensure that all credible instances of TF, including those arising from financial intelligence are thoroughly investigated in Singapore. The security and enforcement agencies exchange

intelligence and information and collaborate on investigations; while STRO disseminates financial intelligence relating to terrorism/TF to the respective competent authorities to support their operational needs. CFTB also works closely with the Attorney-General's Chambers (AGC) to ensure that investigative efforts translate to successful prosecutions. Since 2016, AGC has prosecuted and secured convictions against 13 individuals for TF. In line with Singapore's zero-tolerance stance, lengthy imprisonment terms have been sought for and successfully obtained against the 13 individuals.<sup>7</sup>

4.6 Agencies leverage public-private partnerships such as the CFT Operational Group, set up under the ambit of ACIP, to enhance operational efficiency and establish relevant networks.<sup>8</sup> This workgroup provides a platform for key stakeholders to share CFT-related trends and in so doing, strengthens the understanding of terrorism/TF risks within the different sectors. It is a key operational platform for investigative collaborations in priority TF cases round the clock. The composition of the CFT Operational Group takes into consideration the TF risk landscape faced in Singapore and its key TF risks, and includes relevant industry players, such as banks, money remittance agents, payment service providers, and government stakeholders.

## Looking Ahead

4.7 CFTB, ISD and STRO will continue to closely collaborate to ensure all instances of TF are promptly detected and investigated. We will

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<sup>7</sup> Six individuals and four individuals were prosecuted and convicted in 2016 and 2020 respectively. There was one individual prosecuted and convicted for each of the years 2019, 2021 and 2022. The sentences meted out ranged from 18 months to 60 months.

continue to seek heavy and proportionate sentences against convicted perpetrators that commensurate with the severity of the offences to serve as an effective deterrence against would-be perpetrators. Authorities will also continue to expand collaboration with the private sector, including through ACIP, to ensure better communication of risks to detect and disrupt TF activities.

4.8 Where material TF risks are identified, agencies will adopt a WOG approach and work together to design and implement appropriate preventive actions to close the gaps observed. For instance, in order to reduce illicit Cross-Border Cash Movements (CBCM) and unlicensed money remittances, which have been identified as key TF risk areas for Singapore, relevant agencies came together to reinforce the operational frameworks to mitigate these risks through robust detection and investigation. We recognise the importance of continuing such collaboration and will continue to prioritise strengthening the cooperation amongst domestic competent authorities as well as stakeholders in the private sector. These inter-agency efforts as well as public-private partnerships are continuously reviewed to ensure that we remain capable of addressing emerging TF threats.

<sup>8</sup> ACIP is a private-public partnership established in April 2017 and is co-chaired by CAD and MAS. It brings together the financial sector, regulators, LEAs and other government entities to collaboratively identify, assess and mitigate key and emerging ML/TF risks facing Singapore.

## Point 5: International Partnerships and Cooperation

**Singapore's connectivity as a major global financial centre and international transport hub makes us vulnerable as a transit point for illicit proceeds to the region and other foreign jurisdictions. Singapore recognises that the raising and moving of funds for terrorists and terrorist activities overseas is a more pertinent TF threat for us, than the financing of the same domestically. In line with our zero-tolerance stance against any TF activities, regardless of where the violence is to take place, we view international cooperation, both at the regional and global levels, as a key component of Singapore's CFT strategy to counter such threats.**

**Domestic authorities utilise a range of international cooperation mechanisms to achieve its law enforcement objectives for TF matters. These include bilateral and multi-lateral partnerships as well as leveraging structured international and regional platforms such as INTERPOL, ASEANAPOL, the Egmont Group, ASEAN-MLAT, SEAJust and the CTF Summit, to share intelligence, exchange information and conduct joint operations, where appropriate.**

### Strategy in Action

5.1 Singapore's efforts in international cooperation for criminal matters can be broadly considered from two dimensions. First, providing assistance to other jurisdictions through formal and informal channels spontaneously and on request; and seeking assistance from other jurisdictions. Second, rigorously implementing and contributing to the development of the international standards on combatting ML/TF/PF set by the FATF and relevant UNSCRs. This is done by participating in the relevant international and regional platforms.

### Providing and seeking assistance to and from other jurisdictions in criminal matters

5.2 Singapore provides and seeks assistance to and from other jurisdictions respectively relating to criminal matters through both formal and informal channels. Such assistance includes formal requests for mutual legal assistance (MLA), the exchange of information between local and foreign LEAs, as well as the spontaneous exchange of financial intelligence by STRO with foreign FIUs.

5.3 TF offences are criminalised in Singapore under the TSOFA, which was enacted to give effect to the International Convention for the Suppression of the Financing of Terrorism (FT

Convention), to which Singapore is a party. The main TF offences in TSOFA are listed in the Second Schedule of the Mutual Assistance in Criminal Matters Act (MACMA). Thus, Singapore can provide the full suite of MLA for these offences. Singapore is also party to the ASEAN Treaty on Mutual Legal Assistance in Criminal Matters (Among Like-Minded ASEAN Member Countries) (ASEAN-MLAT), which was adopted in 2004 and has since been ratified by all ASEAN Member States. Given the increased level of TF threats in the region, assistance rendered through the ASEAN-MLAT is an important part of Singapore's CFT strategy. Specific to terrorism and in addition to the FT Convention, Singapore is also a party to the International Convention for the Suppression of Terrorist Bombings and the International Convention for the Suppression of Acts of Nuclear Terrorism. As required under all three treaties, Singapore is able to provide all parties to the conventions with the greatest measure of assistance in connection with criminal proceedings in respect of offences set out under each treaty.

5.4 TF offences under TSOFA are extraditable offences in Singapore under section 33(1) TSOFA. In addition, terrorist acts (e.g. murder, malicious and wilfully wounding) are covered by the general list of offences in the First Schedule of the Extradition Act 1968. Singapore is thus able to assist with extradition requests relating to TF offences from any country which is a party to the FT Convention.

### **Exchange of Information through FIUs**

5.5 To date, STRO has concluded a total of 51 Memoranda of Understanding/Letters of Undertaking, which allow STRO to share financial intelligence with these foreign

counterparts. Singapore has also introduced legislative changes to broaden the exchange of financial intelligence with more FIU counterparts. Since 2019, following an amendment to the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 (CDSA), STRO can exchange financial intelligence with members of the Egmont Group without the need for a Memorandum of Understanding/Letter of Undertaking. This has effectively tripled STRO's network of FIU counterparts with whom STRO can exchange financial intelligence, including on TF.

### **Participating in international and regional platforms**

5.6 Singapore is an active participant in international fora such as the FATF, the Asia/Pacific Group on Money Laundering (APG), the Southeast Asia Justice Network (SEAJust), the Priority Counter-Terrorism Financing Forum – Central Authorities (CTF Forum), and INTERPOL's Project PACIFIC Working Group. In particular, Singapore has contributed to FATF projects on TF and STRO is also a part of the Counter-Terrorism Financing Summit, which brings together FIUs in the ASEAN region, Australia and New Zealand, to collaborate on AML/CFT matters and develop regional solutions to TF and high-risk financial crimes through financial intelligence sharing.

5.7 Such fora allow Singapore to learn from our regional and the international CFT community and contribute to the development of international standards in CFT.

## Looking Ahead

### **Increased efforts in providing and seeking assistance in criminal matters**

5.8 Singapore endeavours to ensure that requests for assistance from other jurisdictions relating to criminal matters are duly considered and executed, where possible, and in a timely fashion. To complement assistance through formal channels, Singapore will continue to exchange information with their foreign counterparts via informal channels and build close relationships with them.

5.9 Singapore will also continue to leverage informal channels of cooperation to proactively tackle TF flows. This includes proactive information sharing and, where appropriate, coordinated enforcement action with our international counterparts.

### **Continued participation in international and regional platforms**

5.10 Given the transnational nature of TF, it is important to maintain a robust understanding of TF risks, at both the international and regional levels. Singapore will continue to actively participate in international and regional platforms to maintain and enhance international cooperation. Singapore also seeks to tap on the expertise and experiences of other jurisdictions, such as Australia, US, UK, France, Malaysia and Indonesia at the CTF Forum, to improve our CFT efforts and build closer relationships between jurisdictions to further strengthen global CFT capabilities.



## CONCLUDING REMARKS

Singapore maintains a watchful eye on events around the world. It is evident that the global threat of terrorism, violent extremism and its financing remains a real and present danger, globally and domestically. In recent years, while the global terrorism landscape has evolved to one that features more self-radicalised individuals who may be self-funded and thereby only leave little or no traces in the financial system, it remains true that terrorists and terrorist organisations need money to operate. Common sources of funding would include donations from supporters (including involving the misuse of NPOs) and proceeds generated from criminal activities. To disrupt their dangerous operations, we need to disrupt and prevent funds (including virtual assets as seen from more recent typologies) from reaching the hands of terrorists and terrorist entities.

For this reason, Singapore will not let up in our efforts to counter the financing of terrorism.

This five-point CFT strategy guides us in our continuous efforts to detect, deter and prevent TF, and is complementary to Singapore's counter terrorism strategy. We first ensure that we have a continued good understanding of our TF threats and vulnerabilities; then we formulate the necessary frameworks to ensure that we have an up-to-date and comprehensive structure that will support our policy objectives. This is coupled with the implementation of robust AML/CFT regulatory and supervisory regimes for FIs/DNFBPs/NPOs to ensure that the relevant sectors are not abused for TF purposes. Thereafter, we rely on an efficient and effective law enforcement infrastructure that will take swift and resolute actions against terrorists, terrorist entities and their supporters including financiers of terrorism. Finally, Singapore has established strong working relationships with international counterparts to facilitate cooperation in the countering of financing of terrorism, and ensure we are updated on TF typologies.

Singapore is strongly committed to taking firm and resolute action against TF to keep our country, region and the world safe.

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## TABLE OF ACRONYMS

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<b>ABS</b>	Association of Banks in Singapore
<b>ACD</b>	Anti-Money Laundering/Countering the Financing of Terrorism Division
<b>ACIP</b>	AML/CFT Industry Partnership
<b>AGC</b>	Attorney-General's Chambers
<b>AML/CFT</b>	Anti-Money Laundering / Countering the Financing of Terrorism
<b>APG</b>	Asia/Pacific Group on Money Laundering
<b>AQ</b>	Al-Qaeda
<b>ASEAN-MLAT</b>	ASEAN Treaty on Mutual Legal Assistance in Criminal Matters (Among Like-Minded ASEAN Member Countries)
<b>CAD</b>	Commercial Affairs Department
<b>CBCM</b>	Cross-Border Cash Movements
<b>CDD</b>	Customer Due Diligence
<b>CFTB</b>	Counter-Financing of Terrorism Branch (of CAD)
<b>COC</b>	Commissioner of Charities
<b>CTF</b>	Counter-Terrorism Financing
<b>CTF Forum</b>	Priority Counter-Terrorism Financing Forum – Central Authorities
<b>DNFBPs</b>	Designated Non Financial Businesses and Professions
<b>DPT</b>	Digital Payment Token
<b>DPTSPs</b>	Digital Payment Token Service Providers
<b>FATF</b>	Financial Action Task Force
<b>FIs</b>	Financial Institutions
<b>FIU</b>	Financial Intelligence Unit
<b>IAC</b>	Inter-Agency Committee
<b>IMC-TD</b>	Inter-Ministry Committee on Terrorist Designation
<b>ISA</b>	Internal Security Act
<b>ISD</b>	Internal Security Department
<b>ISIS</b>	Islamic State of Iraq and Syria

<b>JI</b>	Jemaah Islamiyah
<b>LEAs</b>	Law Enforcement Authorities
<b>MACMA</b>	Mutual Assistance in Criminal Matters Act
<b>MAS</b>	Monetary Authority of Singapore
<b>MHA</b>	Ministry of Home Affairs
<b>MinLaw</b>	Ministry of Law
<b>ML</b>	Money Laundering
<b>MLA</b>	Mutual Legal Assistance
<b>MOF</b>	Ministry of Finance
<b>NPOs</b>	Non-Profit Organisations
<b>NRA</b>	National Risk Assessment
<b>PSMDs</b>	Precious Stones and Metals Dealers
<b>RSIS</b>	S. Rajaratnam School of International Studies
<b>RTIG</b>	Risks and Typologies Inter-Agency Group
<b>SC</b>	Steering Committee
<b>SEAJust</b>	Southeast Asia Justice Network
<b>STR</b>	Suspicious Transaction Report
<b>STRO</b>	Suspicious Transaction Reporting Office
<b>TF</b>	Terrorism Financing
<b>TSOFA</b>	Terrorism (Suppression of Financing) Act
<b>UN</b>	United Nations
<b>UNSCRs</b>	United Nations Security Council Resolutions
<b>WOG</b>	Whole-of-Government