



Monetary Authority of Singapore

Consultation Paper

P017-2026 – October 2026

Consultation Paper on Expanding FIDReC Membership to Payment Service Providers



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1. Preface

- 1.1. Under the Financial Services and Markets (Dispute Resolution Schemes) Regulations 2023 (DRS Regulations), prescribed financial institutions (FIs) in the Second Schedule are required to subscribe to an approved Dispute Resolution Scheme (DRS) to provide consumers an independent platform to resolve disputes against them. The Financial Industry Disputes Resolution Centre (FIDReC), an independent and impartial dispute resolution body for consumer disputes involving FIs, is the only approved DRS operator.
- 1.2. Payment service providers (PSPs) are currently not prescribed FIs in the Second Schedule of the DRS Regulations. When the Payment Services Act 2019 (PS Act) commenced in 2020, creating a new class of FIs offering payment services, the Monetary Authority of Singapore (MAS) had not required PSPs to subscribe to FIDReC so as to accommodate their transition into the new regulatory regime.
- 1.3. MAS is now proposing to include major payment institutions (MPIs) and standard payment institutions (SPIs) licensed under the PS Act as prescribed FIs under the Second Schedule of the DRS Regulations. MPIs and SPIs would then be required to subscribe to FIDReC, allowing their customers to bring eligible disputes against them for mediation and adjudication. This will complement the suite of user protection measures which MAS has progressively introduced for customers of such payment institutions.
- 1.4. MAS invites comments from industry stakeholders and other interested parties on the proposed amendment to the DRS Regulations, which would require MPIs and SPIs to subscribe to FIDReC.
- 1.5. **Please note that all submissions received will be published and attributed to the respective respondents unless they expressly request MAS not to do so. As such, if respondents would like –**
 - (a) **their whole submission or part of it (but not their identity), or**
 - (b) **their identity along with their whole submission,****to be kept confidential, please expressly state so in the submission to MAS. MAS will only publish non-anonymous submissions. In addition, MAS reserves the right not to publish any submission received where MAS considers it not in the public interest to do so, such as where the submission appears to be libellous or offensive.**
- 1.6. Please submit written comments to the consultation paper by 30 November 2026 via this link:
<https://form.gov.sg/6acf237b9b50e46104592017>



2. Introduction

- 2.1. MAS expects all FIs to handle customer complaints in an independent, effective and prompt manner under the Guidelines on Fair Dealing.¹ MAS has also issued guidance on recourse and dispute resolution for relevant FIs under the E-Payments User Protection Guidelines (EUPG).²
- 2.2. While customers should first approach their FIs to resolve any disputes, there may be instances where they remain dissatisfied with the FI-determined outcome and wish to seek recourse through other avenues.
- 2.3. FIDReC was established in 2005 as an approved alternative dispute resolution institution under the DRS Regulations, to provide an independent, accessible, and affordable avenue for recourse through its mediation and adjudication services.³ All classes of FIs serving retail customers then were required to subscribe to FIDReC.
- 2.4. The commencement of the PS Act in 2020 introduced a new class of FIs in PSPs, with three licence types – MPI, SPI, and money-changing licences⁴ – to conduct regulated payment services.⁵ To accommodate PSPs' transition into the new licensing regime, MAS decided not to impose the requirement for PSPs to subscribe to FIDReC under the DRS Regulations from the outset. Instead, MAS has fielded such disputes and followed up with the PSPs on a supervisory basis during this intervening period.
- 2.5. In 2024, MAS and the Infocomm Media Development Authority (IMDA) formalised the Shared Responsibility Framework (SRF)⁶ to establish joint accountability amongst FIs, telecommunication companies and consumers to prevent and mitigate phishing scams. With the introduction of the SRF, MAS required PSPs offering electronic wallets that store e-money ("e-wallet service providers") to subscribe to FIDReC as part of the SRF's dispute resolution mechanism. Since the SRF came into effect till 30 June 2026, FIDReC received 416 claims against e-wallet service providers, eventually handling 141 claims. Of the claims that have been completed, 99% concluded at mediation and 1% required adjudication.

¹ <https://www.mas.gov.sg/regulation/guidelines/guidelines-on-fair-dealing---board-and-senior-management-responsibilities-for-delivering-fair-dealing-outcomes-to-customers>

² <https://www.mas.gov.sg/regulation/guidelines/e-payments-user-protection-guidelines>

³ For the avoidance of doubt, FIDReC can only hear disputes that fulfil the conditions of Eligible Disputes and do not fall under Excepted Complaints in its Terms of Reference: <https://www.fidrec.com.sg/knowledgebase/article/KA-01002>

⁴ Money-changing licensees may only provide money-changing services. SPI and MPI licensees may provide any regulated payment service under the PS Act; however, only MPIs are authorised to carry out payment services above specified thresholds of monthly average transaction volumes and daily average e-money floats.

⁵ The regulated payment services are: account issuance service; domestic money transfer service; cross-border money transfer service; merchant acquisition service; e-money issuance service; digital payment token service; and money-changing service.

⁶ On 24 October 2024, MAS and IMDA published the Guidelines on the SRF for phishing scams. The SRF serves to enhance the direct accountability of FIs and Telcos to consumers for implementing anti-scam measures, and these entities are expected to make direct payouts to consumers for scam losses arising from failure to fulfil any of the relevant duties.



- 2.6. MAS now intends to require the wider PSP sector to subscribe to FIDReC, thereby allowing customers of PSPs to file eligible PSP disputes to FIDReC for dispute resolution, via amendments to the DRS Regulations.

3. Scope of PSPs to subscribe to FIDReC

- 3.1. **In line with FIDReC’s jurisdiction to provide parties⁷ an avenue for meaningful resolution in dealings with FIs, MAS proposes that all MPI and SPI licensees be required to subscribe to FIDReC.**
- 3.2. PSPs, like those of other FI classes, provide services that handle customer monies and digital payment tokens, such as maintaining stored balances and executing payment transactions. Consequently, customers may experience disputes arising from their PSPs’ potential service lapses, misrepresentations, misconduct, or apportionment of liability (including scam losses), leading to financial loss, where customers would be entitled to seek recourse.
- 3.3. As mentioned in MAS’ Consultation on Proposed Amendments to the Payment Services Act for Stablecoins Regulation issued on 1 September 2026, MAS intends to introduce a fourth PS Act licence type for MAS-regulated stablecoin issuers (a “stablecoin issuance licence”).⁸ As holders of MAS-regulated stablecoins are envisaged to have a right to redeem their MAS-regulated stablecoin directly from the issuer, MAS is of the view that these stablecoin holders should have the option of bringing a claim to FIDReC against the MAS-regulated stablecoin issuer, if the holder qualifies as an “eligible complainant” (refer to footnote 6). **Hence, MAS further proposes that all MAS-regulated stablecoin issuers be required to subscribe to FIDReC within an appropriate timeframe after the stablecoin regulatory framework comes into force.⁹**
- 3.4. **MAS does not propose to extend the requirement for FIDReC subscription to money-changing licensees.** As these entities may only conduct money-changing services, their business models are relatively simple, i.e., money-changing activities with customers at their physical premises; in addition, they handle significantly smaller amounts of customer monies compared to MPI and SPI licensees. Complaints received by MAS against money-changing licensees typically concern poor customer service

⁷ Eligible complainants comprise individuals, sole proprietors, charities, and small businesses as defined under FIDReC’s Terms of Reference, that are customers of the FIDReC subscriber.

⁸ https://www.mas.gov.sg/-/media/mas-media-library/publications/consultations/pd/2026/sept-2026_consultation-paper-on-proposed-amendments-to-ps-act-for-stablecoins-regulation/consultation-paper-on-proposed-amendments-to-ps-act-for-stablecoins-regulation_vfinal.pdf

⁹ For avoidance of doubt, MPI, SPI, and MAS-regulated stablecoin issuer licensees will be grouped under the same category of subscribers (i.e. payment service licensees) under FIDReC. As such, MPI and SPI licensees who are already FIDReC members and subsequently acquire an MAS-regulated stablecoin issuer licence (replacing their MPI/SPI licence) need not reapply.

and uncompetitive exchange rates, rather than disputes involving financial losses or claims for redress. On balance, given their small risk surface, imposing the requirement would be overly burdensome.

Legal implementation

- 3.5. Part 1 of the Second Schedule of the DRS Regulations lists the FIs that are required to be a member of an approved dispute resolution scheme under the DRS Regulations, i.e., FIDReC. **MAS proposes to introduce a new limb under Part 1 to extend the requirement to MPI and SPI licensees, reflected in the markup in Annex A.** A further amendment to include MAS-regulated stablecoin issuer licensees will be made after the stablecoin regulatory framework comes into force.

Question 1. MAS seeks comments on i) the requirement for all MPI and SPI licensees, and MAS-regulated stablecoin issuer licensees after the stablecoin regulatory framework comes into force, to subscribe to FIDReC; ii) the exclusion of money-changing licensees from this requirement; and iii) the corresponding amendments to Part 1 of the Second Schedule of the DRS Regulations.

4. Fee structure and implementation timeline

- 4.1. As the onboarding of a significant number of MPIs and SPIs onto FIDReC is a major exercise, MAS recognises the need to cater sufficient time to coordinate the onboarding process between the PSP entities and FIDReC, including finalising the fee structure.
- 4.2. In order to ensure that FIDReC is sufficiently resourced to handle cases from a broader class of PSPs, FIDReC will collect an initial onboarding fee from the PSPs. MAS and FIDReC will engage the industry to determine a framework for the payment of the initial onboarding fee, for example, via a fixed fee to be shared equally by all onboarding PSPs, i.e., excluding e-wallet service providers that are already subscribed to FIDReC.
- 4.3. In addition to the initial onboarding fee, PSPs subscribed to FIDReC will be liable to pay case fees and an annual general levy as provided by FIDReC's Terms of Reference. Case fees are payable for each eligible dispute handled by FIDReC.
- 4.4. The annual general levy is intended to cover FIDReC's fixed operating costs, including staffing for caseload management. The share of the general levy attributable to each category of subscribers (e.g., banks, insurers) is determined based on the proportion of resources required to manage the disputes attributable to that category. Within each category, an individual FI's contribution to the general levy is determined based on an internal funding framework agreed upon by the FIs in the category, which



may comprise a simple equal division, market share, and/or the FI's share of total eligible disputes for the category over a predetermined period. MAS and FIDReC will also engage the industry on the internal funding framework for the annual general levy, which will supersede the existing funding framework in place for e-wallet service providers.

4.5. From MAS' policy perspective, the fee structure should observe the following principles:

- (a) To be as fair as possible between FIs;
- (b) To provide FIs an appropriate degree of certainty and flexibility for budget planning and financial management purposes; and
- (c) To provide FIs an incentive to resolve complaints where possible at an early stage, but without deterring them from using FIDReC where appropriate.

4.6. MAS, in conjunction with FIDReC, will engage the industry on the details of the proposed fee structure, based on the principles and formats set out above, as well as the implementation timelines, over the course of 2027.



5. Annex A – Draft Amendments to the DRS Regulations

THIS VERSION OF THE PROPOSED AMENDMENTS TO THE PAYMENT SERVICES REGULATIONS 2019 IS IN DRAFT FORM AND SUBJECT TO CHANGE. IT IS ALSO SUBJECT TO REVIEW BY THE ATTORNEY GENERAL’S CHAMBERS.

Part 1

FINANCIAL INSTITUTIONS

1. A bank licensed under the Banking Act 1970.
2. A finance company licensed under the Finance Companies Act 1967.
3. A person licensed under the Banking Act 1970 to carry on the business of issuing credit cards or charge cards in Singapore.
4. A direct insurer registered under the Insurance Act 1966 other than —
 - (a) a specialist insurer; or
 - (b) an insurer which carries on the business of providing the insurance of liabilities under insurance policies only to persons other than individuals.
5. A direct insurance broker.
6. A person holding a capital markets services licence under the Securities and Futures Act 2001, other than a person whose capital markets services licence relates only to any one or more of the following regulated activities:
 - (a) advising on corporate finance;
 - (b) providing credit rating services;
 - (c) any other regulated activity under the Securities and Futures Act 2001, for which the person is required by a condition of the licence to only carry out the regulated activity in relation to any one or more of the following classes of persons:
 - (i) accredited investors;
 - (ii) expert investors;
 - (iii) institutional investors.



7. A person holding a financial adviser's licence under the Financial Advisers Act 2001, other than a person who is required by a condition of the financial adviser's licence to provide financial advisory services only to any one or more of the following classes of persons:
 - (a) individuals who are accredited investors;
 - (b) corporations.
8. An approved exchange that —
 - (a) operates an organised market; and
 - (b) allows an offer or invitation to exchange, sell or purchase any —
 - (i) derivatives contract;
 - (ii) securities;
 - (iii) unit in a collective investment scheme; or
 - (iv) product in respect of which an offer or invitation to exchange, sell or purchase may be made in a facility or class of facilities prescribed for the purposes of paragraph 1(1)(b) of the First Schedule to the Securities and Futures Act 2001,to be made on the organised market by or to an individual who is not an accredited investor, expert investor or institutional investor directly without any intermediary.
9. A person holding a licence granted under section 7 or renewed under section 8 of the Credit Bureau Act 2016 to carry on —
 - (a) a consumer credit reporting business; or
 - (b) both a consumer credit reporting business and a corporate credit reporting business.
10. A major payment institution or standard payment institution [(when legislative amendments to effect the stablecoin regulatory framework are passed and come into force) or MAS-regulated stablecoin issuer] licensed under the Payment Services Act 2019.