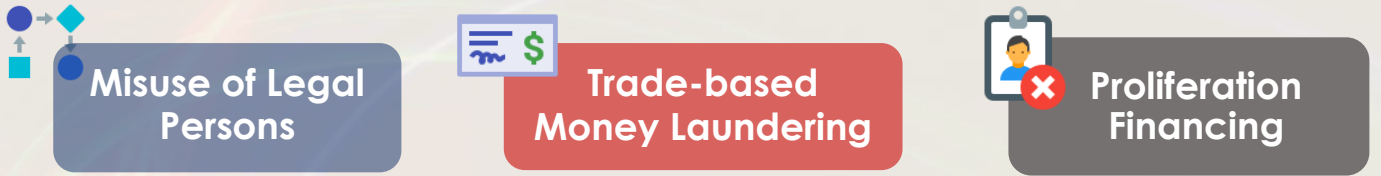


COSMIC: Collaborative Sharing of Money Laundering/ Terrorism Financing Information & Cases

Digital platform where financial institutions (FIs) share information to detect and deter criminal activities

Focus on 3 Priority Risks facing Singapore



Robust legal framework with safeguards

Purpose of Sharing




Only for detection and deterrence of **ML/TF/PF***
To **assess potential financial crime** concerns

Conditions for Sharing

FIs detect **“red flag”** indicators of **serious financial crime**
Provided **stipulated thresholds** are met

*ML – Money Laundering, TF – Terrorism Financing, PF – Proliferation Financing

How does COSMIC work?

- 
 FI detects red flag indicators that cross the stipulated threshold → **requests** information from other FIs with links to the customer or transaction to assess unusual activities
- 
 FI detects multiple red flag indicators that cross a higher stipulated threshold → **provides** information to other FIs with links to the customer or transaction
- 
 FI files a suspicious transaction report to authorities and decides to exit an account → place an **Alert** on this customer on a “watchlist”

To protect legitimate customers, FIs should...

- ✓ **Assess if customer's profile/ behaviour warrants concern** before sharing information
- ✓ Consider other information sources and **not rely solely** on COSMIC information
- ✓ **Allow customers an opportunity to explain** the behaviours observed
- ✓ **Ensure accuracy and completeness** of information shared

- **FIs should not share information on legitimate customers** who do not exhibit higher risk behaviours
- **Customers** are strongly encouraged **to be forthcoming and respond promptly to FIs' due diligence queries**, to avoid any unintended disruption to financial services

How may information from COSMIC be used?

By Participant FIs

- To **identify bad actors** and **take prompt action** to disrupt criminal activities and network
- To **complement their risk assessment** of a customer

By MAS and STRO¹

- To support **supervision and risk surveillance** of the financial system
- **To support law enforcement** efforts

¹ The Suspicious Transaction Reporting Office (STRO) is Singapore's Financial Intelligence Unit under the Singapore Police Force that analyses and disseminates financial intelligence to law enforcement and regulatory agencies.