

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

**2024**  
**SINGAPORE**



# INTRODUCTION

Singapore refreshed its Terrorism Financing (TF) National Risk Assessment (NRA) in July 2024. The 2024 TF NRA presents an updated overview of Singapore's TF risk environment since the last report in 2020. It identifies key TF threats and vulnerabilities stemming from global, regional, and domestic developments over the past few years. Additionally, it contributes to the ongoing refinement of our National Strategy for Countering the Financing of Terrorism (CFT), which was launched in 2022.

## 2024 TF NRA Findings

2 The 2024 TF NRA identified the following key TF threats and vulnerabilities for Singapore:

### a. Key TF Threats

- Self-radicalised individuals influenced by global and regional developments continue to pose the most significant TF threats to Singapore.
- Singapore remains vigilant against terrorism and TF threats posed by the Islamic State of Iraq and Syria (ISIS), Al-Qaeda (AQ), and Jemaah Islamiyah (JI). We are also closely monitoring spillover effects from developments further afield, such as the ongoing Israel-Hamas conflict. In light of the constantly evolving terrorism landscape, the Singapore authorities are continuously on the lookout for financing of both existing and new terrorist groups, regionally and globally.

### b. Key TF Vulnerabilities

- Money remittances (or cross border money transfer service providers) and banks remain particularly vulnerable to TF threats due to the relative ease of accessing their services, Singapore's connectivity as a financial and transport hub, and our proximity to countries exposed to terrorist activities. The rapid development of cross-border and online fast payment systems, digital financial services, and online crowdfunding in recent years have made it easier for terrorist actors to raise and move funds.
- Digital payment token service providers (DPTSPs) are another vulnerable area that the authorities watch closely, especially given the relatively evolving and more nascent regulatory regime for DPTSPs (or virtual asset service providers) globally. International typologies also indicate that virtual assets, such as digital payment tokens (DPTs), are an emerging area of risk.<sup>1</sup> Notably, DPTs have been used as a channel to support terrorist activities by sending DPTs to individuals or groups linked to terrorist organisations in conflict zones, or cryptocurrency exchange platforms with links to TF in the Middle East.

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<sup>1</sup> Egmont Group Report on Abuse of Virtual Assets for Terrorist Financing Purposes published in June 2023.



- As a transport hub, Singapore is also vulnerable as a potential location for couriers to collect or move cash for delivery across borders.
- Precious stones and precious metals dealers (PSMDs) are also susceptible to TF in Singapore. This is concerning given the relatively nascent regulatory regimes for PSMDs.

## Refreshed National Strategy for CFT

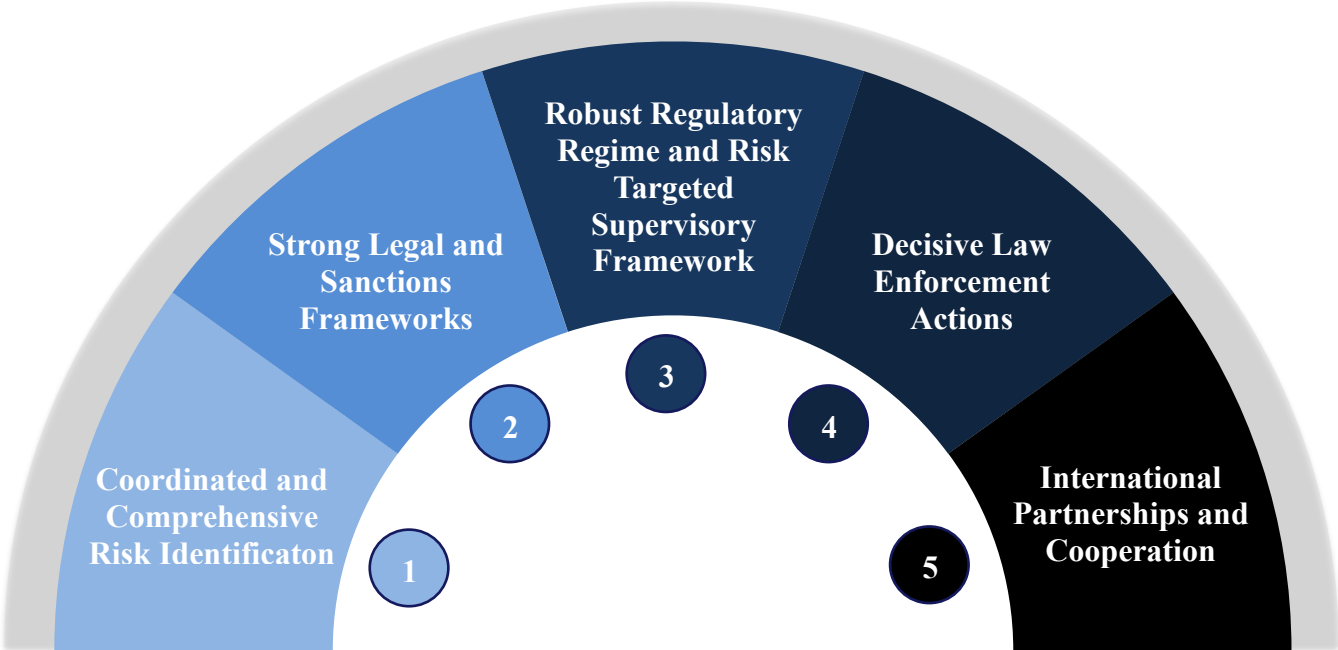
3 **Singapore is committed to combatting TF.** Since the publication of our last National Strategy for CFT in 2022, Singapore has continued to develop and implement effective and risk-targeted regulatory, supervisory, and enforcement measures to counter TF threats and vulnerabilities.

### UPDATES SINCE 2020

- 4 The refreshed **National Strategy for CFT**, guided by the overarching policy of Singapore's anti-money laundering and CFT (AML/CFT) regime, has three objectives:
- a. **Prevent:** Proactively deter prospective terrorists, terrorist organisations, and sympathisers from exploiting Singapore's open economy for TF activities.
  - b. **Detect:** Promptly identify and trace TF activities through robust monitoring and tracking of red flag indicators, especially in high-risk sectors and emerging TF typologies of concern.
  - c. **Disrupt:** Take strong and resolute actions against terrorists, terrorist organisations, and sympathisers seeking to raise, move, and use funds for terrorism activities, both locally and abroad.

5 As an extension of Singapore's National Strategy for Counterterrorism, the refreshed National Strategy for CFT underpins Singapore's national approach towards addressing our TF risks. It guides the efforts of law enforcement, policy, and supervisory agencies in addressing and mitigating Singapore's TF threats and vulnerabilities.

# Singapore's Five-Pronged National Strategy for CFT



## Point 1: Coordinated and Comprehensive Risk Identification

Singapore has a comprehensive coordination mechanism to identify and monitor our TF risks. Agencies regularly conduct joint reviews of the TF landscape, incorporating the latest TF risk typologies and prevailing international standards, as well as studies 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). The Security Policy Review Committee (SPRC) is the Ministerial-level committee that reviews national security policies, including Counter Terrorism and CFT policies.

1.2 At the Civil Service level, the AML/CFT Steering Committee (AML/CFT SC), co-chaired by the Permanent Secretaries of the Ministry of Home Affairs (MHA) and Ministry of Finance (MOF) and the Managing Director of the Monetary Authority of Singapore (MAS), provides high-level policy guidance for Singapore's AML/CFT approach. More than 15 government agencies, including the Internal Security Department (ISD), the Commercial Affairs Department (CAD), the Suspicious Transaction Reporting Office (STRO), sectoral supervisors of the financial institutions (including DPTSPs), 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.

1.3 The **Risks and Typologies Inter-Agency Group (RTIG)**, led by MHA and MAS, was formed in 2017 to oversee the identification, assessment, and mitigation of TF, ML, and PF risks. The RTIG comprises all relevant supervisory, regulatory, law enforcement, and policy agencies.

1.4 Singapore also partners with the private sector, academia, and foreign governments and law enforcement agencies (LEAs) to enhance our understanding of TF risks. 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. This assessment outlined known TF typologies in these regions, enhancing our knowledge of this important area of work.

#### UPDATES SINCE 2020

1.5 In refreshing the TF NRA in 2024, Singapore conducted a survey of our TF risks with FATF members and key high-risk jurisdictions with a known TF nexus to Singapore, via the Egmont Group in March

2024.<sup>2</sup> This initiative enabled Singapore to gain a deeper understanding of our latest TF risks from the perspectives of external jurisdictions, and the impact of terrorism and TF developments in other parts of the world on Singapore's TF threats and vulnerabilities.

1.6 In addition, the Singapore government organised a closed-door industry consultation session with key financial institutions (FIs) in May 2024 to address the latest TF typologies and threats to Singapore. During this session, feedback was sought on TF typologies observed by FIs and the corresponding mitigating measures to be adopted. In addition to these efforts, Singapore reviewed a wide range of sources and materials to gather insights into emerging TF trends and risks of concern, including papers published by the FATF and UN.<sup>3</sup> Furthermore, the Singapore government conducted a benchmarking exercise on the national CFT strategies published by key FATF jurisdictions and regional countries in recent years to enhance the effectiveness of Singapore's National Strategy for CFT.

## Looking Ahead

1.7 **As the global terrorism and TF landscape continues to evolve, Singapore remains vigilant to emerging threats and vulnerabilities.** We remain committed to participating in international and regional platforms to gain insights into emerging TF typologies. This proactive approach enables us to regularly evaluate, assess, and prioritise our key TF threats and vulnerabilities.

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<sup>2</sup> The Egmont Group is a united body of 174 Financial Intelligence Units (FIUs) and provides members with a platform to securely exchange expertise and financial intelligence to combat ML, TF, and associated predicate offences.

<sup>3</sup> FATF typologies report on crowdfunding for TF (October 2023), ethnically or racially motivated TF (June 2021).

## Point 2: Strong Legal and Sanctions Frameworks

**Singapore is committed to ensuring that terrorism is not financed from or through our country. To achieve this, we have implemented a comprehensive suite of laws and sanctions frameworks to support the detection, deterrence, and prevention of TF-related activities. These measures encompass actions related to the generation, movement, and use of such funds to support terrorism purposes, whether within Singapore or overseas.**

### Strategy in Action

2.1 To achieve the objectives outlined in our National Strategy for CFT, Singapore has established the following:

2.2 A **comprehensive legal framework** that empowers LEAs to swiftly and effectively combat terrorists, terrorist organisations, and their supporters, including financiers of terrorism. Key legislation to combat TF includes the **Terrorism (Suppression of Financing) Act 2002 (TSOFA)** and the **Internal Security Act 1960 (ISA)**. These Acts undergo regular reviews and enhancements to ensure their ongoing effectiveness. Specifically, we have strengthened the TSOFA over the years to criminalise TF activities and raised the maximum penalty for TF offences.<sup>4</sup> This ensures that our laws provide for proportionate punishment and are sufficiently effective at deterring TF-related offences. Since the enhancements to the TSOFA regime in 2018,

<sup>4</sup> The key legislative enhancements to the TSOFA over the years include:

- Expanding the prohibition of TF activities to include the financing of terrorism training.
- Raising the maximum penalty for TF offences (from S\$1 million to higher of S\$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 Singapore Police

seven individuals have been convicted of TSOFA offences, with sentencing terms ranging from 18 months to 46 months.

#### UPDATES SINCE 2020

2.3 Recognising that the widespread adoption of online banking has facilitated the obfuscation of TF activities through unwitting individuals, the **Corruption, Drug Trafficking, and Other Serious Crimes (Confiscation of Benefits) Act 1992 (CDSA)** was amended in May 2023. This amendment holds criminally liable individuals who allow their payment accounts or Singpass accounts to be used for criminal activities. By doing so, it promotes public vigilance and responsible behaviour among the populace.

2.4 In July 2023, Singapore enacted the **Online Criminal Harms Act (OCHA)**, empowering the Government to issue directives to online service providers,

Force to up to S\$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 S\$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.

including social media platforms, to prevent activities suspected of involvement in criminal acts from interacting with or reaching Singaporean users. These directives encompass content related to terrorism and TF, making it more challenging for terrorist groups to radicalise or solicit funds from Singaporeans.

2.5 **A targeted and dissuasive financial sanctions framework** is in place, automatically and immediately implementing new UN designations. This adheres to FATF standards,<sup>5</sup> the United Nations Security Council Resolutions (UNSCRs) 1373, 1267, 1989, and 2253, and related Conventions against terrorism and TF.

2.6 The financial sanctions framework is further supported by a clear policy directive for identifying and designating terrorists. The **Inter-Ministry Committee on Terrorist Designation (IMC-TD)** was established with the responsibility of designating terrorists, overseeing the listing/delisting of terrorists, and coordinating the freezing/unfreezing of terrorist funds and assets in accordance with the relevant UNSCRs. To deprive terrorists of access to financing, the financial sector in Singapore is prohibited from providing financial services to individuals designated as terrorists by the IMC-TD and listed within the First Schedule of TSOFA.

2.7 Since 2018, seven individuals have been designated as terrorists under the First Schedule of TSOFA and are subjected to monitoring by the authorities.

## Looking Ahead

2.8 **Singapore will continue to update our legal and financial sanctions frameworks to ensure their effectiveness in achieving our CFT objectives.** We are aware of the continuously evolving threats of terrorism and TF and are committed to ensuring that our LEAs have the necessary tools to tackle new challenges.

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<sup>5</sup> The FATF is the global standard setter on combatting money laundering, financing of terrorism, and proliferation of weapons of mass destruction.



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

Singapore has a robust AML/CFT regulatory framework, complemented by a strong risk-focused supervisory framework for FIs, designated non-financial businesses and professions (DNFBPs), and NPOs. This framework enables these entities 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, targeting higher risk entities. They also closely cooperate with the STRO and LEAs, to share TF risk information with the industry. Additionally, supervisors have robust mechanisms in place to cooperate and exchange information with the industry.

3.1 **Sector supervisors take TF threats and vulnerabilities seriously**, implementing a series of actions over the years to mitigate the TF risks arising from the activities of their respective sectors. These actions include:

- (i) **Implementing effective and comprehensive sectoral AML/CFT requirements** aligned with FATF Standards and international best practices;
- (ii) **Conducting enhanced surveillance and supervisory activities** focused on higher TF risk areas and entities. This involves requiring remediation measures where weaknesses are identified and taking proportionate and dissuasive supervisory actions in response to uncovered breaches; and
- (iii) **Engaging with the industry** through outreach, guidance, and industry cooperation initiatives to raise awareness about TF risks.

3.2 Supervisors regularly review the AML/CFT regulations and supervisory approach for their respective sectors to ensure their continued relevance and effectiveness. The outcomes and effectiveness of CFT measures implemented by supervisors are closely monitored by the AML/CFT SC and IAC.

## Strategy in Action

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

3.3 **FIs,<sup>6</sup> DNFBPs, and NPOs are subject to sectoral AML/CFT requirements and guidelines issued by their respective supervisors to mitigate ML/TF risks.** These include:

- (i) Identifying and verifying customers, beneficial owners, and beneficiaries (where relevant);
- (ii) Conducting ongoing monitoring and regular customer due diligence (CDD), with enhanced due diligence measures for higher risk customers;
- (iii) Conducting screening to ensure compliance with CFT requirements; and
- (iv) Promptly filing suspicious transaction reports (STRs).

3.4 These sectoral AML/CFT requirements and guidelines are regularly reviewed to ensure that their continued relevance and effectiveness in mitigating ML/TF risks and are aligned with the FATF standards and international best practices.

3.5 **Sector supervisors are also attuned to evolving risks and developments, responding proactively to mitigate TF risks.**

3.6 MAS introduced the Payment Services (PS) Act 2019 in January 2020 along with corresponding AML/CFT requirements to

address the ML/TF risks arising from new payment services, such as DPT services. This initiative aims to mitigate the ML/TF risks posed by such services.<sup>7</sup>

#### **UPDATES SINCE 2020**

3.7 Further amendments to the PS Act were passed in Parliament in January 2021 to broaden the definitions of DPT services and cross-border money transfer services. This expansion strengthens ML/TF risk mitigation measures and aligns Singapore's regime for virtual asset service providers with the FATF standards.<sup>8</sup>

3.8 Similarly, to raise the AML/CFT standards in the PSMD sector, the Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Act (PSPM Act) came into effect in April 2019. This legislation empowered the Ministry of Law (MinLaw) to supervise the PSMD sector for ML/TF risks. The AML/CFT Division (ACD), a sector supervisor established under MinLaw, imposes a comprehensive set of AML/CFT requirements on the PSMD sector.

#### **UPDATES SINCE 2020**

3.9 In November 2023, amendments were made to the subsidiary legislation of the PSPM Act to require PSMDs to conduct CDD measures for transactions involving payment received in DPT above SGD 20,000. This

<sup>6</sup> This includes DPTSPs which MAS also regulates and supervises as FIs.

<sup>7</sup> Given the evolving 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>8</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.

measure addresses the ML/TF risks associated with this payment mode.<sup>9</sup>

3.10 Additionally, Singapore is cognisant of the exploitation of the NPO sector by terrorist actors for TF activities in other jurisdictions and regions and takes this risk very seriously. The Charities (Amendment) Bill, passed in 2018, enables the disqualification of individuals convicted of offences involving terrorism, TF, and ML from serving in the capacity of a governing board member, key officer, or trustee under the Charities Act.

#### UPDATES SINCE 2020

3.11 Singapore will be tightening the supervisory regime for the casino sector to prevent exploitation by terrorist and criminal organisations. In 2024, the Gambling Regulatory Authority (GRA) will be reducing the threshold for CDD measures in casinos to SGD 4,000 for all financial transactions. This adjustment aims to strengthen deterrence and prevent the misuse of Singapore's casinos for TF purposes.

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

3.12 **Sector supervisors adopt a risk-based approach to supervising and monitoring sectors for compliance with AML/CFT requirements.** They implement enhanced and targeted supervisory activities on sectors and entities more susceptible to TF abuse.

3.13 In conjunction with the launch of the 2020 TF NRA, MAS commenced an industry-wide survey and thematic reviews of at-risk

<sup>9</sup> The Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Regulations 2019 (PMLTF Regulations)

sectors such as money remittance, banking, and payment sectors in 2021. These reviews assessed the effectiveness of their CFT processes and controls, including the utilisation of advanced monitoring capabilities to detect and trace fund flows associated with terrorist activities.

#### UPDATES SINCE 2020

3.14 In May 2023, MAS published a Guidance Paper outlining its key observations and supervisory expectations of FIs' CFT controls.<sup>10</sup> Additionally, for the relatively new regulatory regime governing DPTSPs, MAS has shifted its focus from raising entities' awareness of TF (and ML) risks and strengthening controls to ensuring the sector's effective implementation of AML/CFT controls.

3.15 As part of MAS's ongoing supervision, MAS issued a Circular in February 2023 to raise industry awareness about the risks arising from financial misconduct linked to entities that have dealt or deal with DPTs and/or other virtual assets. MAS will continue to monitor how DPT service providers implement their CFT controls, considering the risks associated with their activities. Additionally, MAS will remain engaged with the remittance, banking, and other payment sectors regarding TF developments and risks.

3.16 **When weaknesses in CFT controls are identified, supervisors will take appropriate supervisory actions** and follow up with the regulated entities to ensure timely remediation measures are implemented. Supervisors will not

<sup>10</sup> Please refer to <https://www.mas.gov.sg/regulation/guidance/strengthening-fi-cft-controls> for more information.

hesitate to take firm actions against non-compliant entities, including imposing a range of supervisory measures (e.g., warnings or restrictive actions) and financial penalties.

3.17 Additionally, **sector supervisors collaborate with FIs, STRO, and LEAs to conduct monitoring and surveillance activities of higher risk areas or entities.** This includes monitoring open-source information on international and regional terrorism and TF developments, analysing data from statutory returns submitted by FIs/DNFbps/NPOs, STRs, and other available 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. The COC also utilises the fund-raising for foreign charitable purposes permit regime and statutory returns to identify charities with overseas activities and expenditures in FATF high-risk jurisdictions. Subsequently, the COC engages these charities to ensure that they implement appropriate mitigating measures to safeguard themselves against the TF risks, including establishing formal AML/CFT policies and procedures.

#### **UPDATES SINCE 2020**

3.18 The COC collaborated with selected charities and consultants from the private sector to co-develop a *Terrorist Financing Risk Mitigation Toolkit for Charities*. Launched in February 2023, the toolkit is accessible via the online Charity Portal. It includes a framework and best practices to assist charities in systematically identifying, assessing, and mitigating the risks of TF abuse. Additionally, training sessions are targeted at higher-risk charities to facilitate the adoption of the risk assessment framework and the application of its principles and best practices to mitigate TF risks.

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

3.19 **Supervisors conduct regular outreach efforts, often in collaboration with relevant authorities, to update their sectors on the latest changes to key TF risks and threats to Singapore.** These outreach initiatives include targeted engagement sessions for higher-risk sectors. For example, MAS conducted webinars and engagement sessions for financial sub-sectors such as banks, remittance agents, and DPTSPs. These sessions aimed to educate participants on AML/CFT requirements and MAS's supervisory expectations. MAS and CAD also collaborates with financial industry players through platforms like the AML/CFT Industry Partnership (ACIP) and the Association of Banks in Singapore (ABS) to raise awareness of ML/TF risks within the payment and DPT sectors.

3.20 One notable example is the establishment of the ACIP CFT Operational Group in June 2020, which includes representatives from MAS, CAD, the ACIP banks, and other payment services providers. This group facilitates TF intelligence sharing and cooperation in investigations. The close collaboration through ACIP has led to the publication of multiple papers on best practices for combatting TF, empowering the industry to strengthen their TF controls through practical steps.

#### **UPDATES SINCE 2020**

3.21 ACIP has published several reports in recent years, such as *Industry Perspectives on Best Practices – Management of ML, TF, and Sanctions Risks from Customer Relationships with a Nexus to Digital Assets* (July 2023) and *Best Practices for FIs to Manage ML/TF/PF Risks Associated with Receiving Referrals*



*from Corporate Service Providers* (February 2024).

3.22 Furthermore, **STRO provides red-flag indicators to FIs, DNFBPs, and NPOs to assist them in identifying ML/TF risks and reporting suspicious transactions.** Additionally, STRO conducts industry outreach sessions to share case studies, enhancing entities' abilities to detect and report suspicious transactions effectively.

3.23 **For the PSMD sector, MinLaw/ACD conducts inspections to examine registered dealers' compliance with AML/CFT requirements and takes appropriate supervisory actions upon identifying lapses.** Registered dealers are required to address their AML/CFT weaknesses on a timely basis, and firm action will be taken against entities which fail to take remediation measures. Since April 2020, MinLaw/ACD regularly disseminates findings on emerging typologies and red flag indicators to relevant AML/CFT supervisory, law enforcement, policy, and intelligence agencies, as well as the PSMD sector. Leveraging insights from its supervisory work and findings from the surveillance and monitoring efforts related to the international, regional, and domestic CFT situation concerning the PSMD sector, MinLaw/ACD continually enhances awareness within the sector by sharing up-to-date cases in its ongoing AML/CFT training for the PSMD sector, and highlights the publication of updated TF NRA and National Strategy for CFT reports.

#### **UPDATES SINCE 2020**

3.24 In 2022, MinLaw/ACD introduced a screening module within its secure online portal for PSMDs. This module aids PSMDs in screening for designated individuals and entities listed under TSOFA and regulations established under the United Nations Act.

## Looking Ahead

**Sector supervisors will continuously assess and reinforce the private sectors' awareness of TF risks and CFT controls through outreach, industry guidance, and risk-focused supervision**

3.25 Sector supervisors will continue conducting regular engagement sessions aimed at augmenting the industry's understanding of sector-specific TF risks. They will also continue issuing guidance notes on CFT requirements and best practices to further support industry efforts.

**Sector supervisors will harness data analytics and technological tools to bolster surveillance and supervision efforts**

3.26 MAS enhances its supervision of FIs by utilising data analytics to identify and target higher-risk activities among FIs, thereby strengthening supervisory effectiveness. In addition to traditional information sources such as statutory returns and STRs, MAS leverages and explores the use of new technologies to draw insights from data sources, bolstering its supervisory activities. For example, leveraging transactional information on the public blockchain enables MAS to proactively identify unlicensed DPT activities for enforcement action and enhance its assessment of ML/TF risks for licensed entities. MAS also collaborated closely with STRO to enhance the reporting template used for suspicious transaction reporting. The enhanced template is more structured and machine-readable, facilitating analysis and enabling MAS and STRO to identify networks of related STRs and systemic threats more efficiently.

## Point 4: Decisive Law Enforcement Actions

**Singapore maintains a zero-tolerance policy towards any TF activity. We regard individuals who support, promote, or prepare for armed violence, regardless of their justification or location, with utmost seriousness.**

**Our LEAs are resolute in taking swift and effective actions against terrorists, terrorist entities, and their supporters, including those involved in TF.**

### Strategy in Action

**4.1 All credible instances of TF undergo thorough investigation and are pursued as distinct criminal activities.** This includes commencing: (i) investigations into TF allegations, and (ii) parallel TF investigations by ISD and CAD. These efforts support counter terrorism investigations and aim to identify additional TF networks and commonalities, if any.

**4.2 Singapore possesses an effective operational framework for investigating and prosecuting TF cases.** The Counter-Financing of Terrorism Branch (CFTB) within the CAD of the Singapore Police Force (SPF) leads TF investigations and works closely with other agencies to implement 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 concerning all terrorism-related activities, including TF. Through information exchange with foreign counterparts and its own security investigations, ISD contributes to the national effort by closely collaborating with CFTB and other relevant agencies to share

information and intelligence on TF matters. Established work processes and communication channels facilitate the sharing of information between domestic agencies.

**4.4 Financial intelligence plays a crucial role in detecting and investigating 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 continually engages with industry partners, particularly those in high-risk sectors. Additionally, STRO regularly publishes relevant and targeted guidance and red-flag indicators on terrorism/TF. These ongoing engagements have fostered a deeper understanding of TF typologies and risk indicators among relevant stakeholders.

**4.5 CFTB** works closely with ISD and STRO to ensure thorough investigations of all credible instances of TF with a Singapore nexus, including those identified through financial intelligence. Security and enforcement agencies exchange intelligence and information and collaborate on investigations, while STRO disseminates financial intelligence related to terrorism/TF to the respective competent authorities to support their operational requirements. Additionally, CFTB closely coordinates with the Attorney-General's

Chambers (AGC) to ensure that investigative efforts translate into successful prosecutions.

4.6 Since 2016, the AGC has prosecuted and secured convictions against 13 individuals for TF. Consistent with Singapore’s zero-tolerance policy, the AGC has pursued and successfully secured lengthy imprisonment terms for these individuals.<sup>11</sup>

4.7 **Singapore recognises the potential for terrorist actors to exploit our transport and financial connectivity for TF activities.** Our agencies collaborate to reinforce the operational frameworks aimed at mitigating the TF risks associated with illicit Cross-Border Cash Movements (CBCM) and unlicensed money remittances, through rigorous detection and investigation. While Singapore has not detected any TF activities in these areas to date, we will continue to remain vigilant.

#### UPDATES SINCE 2020

4.8 To address the increasingly sophisticated CBCM activities at the borders, the Immigration and Checkpoint Authority (ICA) and CAD have strengthened detection and enforcement capabilities by leveraging intelligence, data analytics, and image scanning technologies at the checkpoints. Additionally, to further promote compliance with the CBCM measures, ICA and CAD introduced the electronic Cross-Border Cash Reporting Regime (e-CBCRR)<sup>12</sup> declaration form in May 2024. Integrated with the electronic Singapore Arrival Card (e-SGAC), the e-CBCRR complements existing

sanctions and punitive measures, such as fines and confiscations, imposed on CBCRR offenders.

4.9 **Agencies harness public-private partnerships** such as the CFT Operational Group, established under the ambit of ACIP, to enhance operational efficiency and detect relevant terrorism/TF networks. This workgroup provides a platform for stakeholders to exchange CFT-related insights and strengthen the understanding of terrorism/TF risks within the different sectors. It stands as a pivotal operational forum for investigative collaborations in priority TF cases round the clock. The composition of the CFT Operational Group is tailored to the current TF risk landscape in Singapore, encompassing relevant industry players such as banks, money remittance agents, payment service providers, and government stakeholders.

<sup>11</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.

<sup>12</sup> Under the regime, individuals are required to declare movements of cross-border physical currency and bearer

negotiable instruments (CBNI) that are above the prescribed threshold of SGD 20,000. The SGD 20,000 threshold was derived from FATF Recommendation 32 on Cash Couriers where the maximum threshold is USD/EUR 15,000.



## Looking Ahead

**4.10 CFTB, ISD, and STRO will maintain close collaboration to promptly investigate and disrupt all detected instances of TF.** We will continue to take strong enforcement actions against perpetrators and deter would-be perpetrators. Authorities will further expand collaboration with the private sector, including through ACIP, to ensure better communication of risks to detect and disrupt TF activities.

**4.11 Where significant TF risks are identified, agencies will collaborate to devise and execute suitable measures to swiftly close the gaps.** Singapore remains committed to bolstering collaboration among domestic competent authorities and private sector stakeholders to proactively tackle the rapidly evolving TF threats.

## Point 5: International Partnerships and Cooperation

Singapore's connectivity as a major global financial centre and international transport hub is both an asset and a potential vulnerability. Terrorist and criminal actors might exploit this connectivity to use Singapore as a transit point for illicit proceeds to the region and other foreign jurisdictions. Singapore recognises that raising and moving funds for terrorists and terrorist activities overseas pose greater TF threats for us than financing domestic terrorist activities.

Therefore, international cooperation is crucial in the global fight against terror and a key component of Singapore's National Strategy for CFT. Our agencies employ various international cooperation mechanisms to achieve their law enforcement objectives for TF. These mechanisms include bilateral and multilateral partnerships, as well as collaboration at international and regional platforms such as INTERPOL, ASEANAPOL, Egmont Group, ASEAN-MLAT, SEAJust, and the FICG. Through these platforms, Singapore shares intelligence, exchanges information, and conducts joint operations.

### Strategy in Action

**5.1 Singapore adopts a two-pronged approach towards international cooperation in criminal and terrorism/TF matters.** First, Singapore assists other jurisdictions through formal and informal channels, both spontaneously and on request, and seeks assistance from other jurisdictions as necessary. Second, Singapore implements and contributes to the development of international standards on combatting ML/TF/PF as set by the FATF and relevant UNSCRs. This is achieved through active participation in relevant international and regional platforms.

#### Cooperation with other jurisdictions on terrorism/TF

**5.2 Singapore leverages both formal and informal channels to advance our CFT efforts.** These include formal requests for mutual legal assistance (MLA), exchange of information

between local and foreign LEAs, and spontaneous exchange of financial intelligence by STRO with foreign Financial Intelligence Unit (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 to the Mutual Assistance in Criminal Matters Act 2000 (**MACMA**). This empowers Singapore to provide the full suite of MLA under MACMA for these TF offences. Singapore is also a party to the ASEAN Treaty on Mutual Legal Assistance in Criminal Matters (**ASEAN-MLAT**), which was signed by Singapore 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 component

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 provides all State Parties to the treaties with the greatest measure of assistance in connection with criminal investigations and proceedings in respect of offences set out under each treaty.

**5.4 TF offences under TSOFA are extraditable offences in Singapore** under section 33 of the TSOFA, read with Part 7 of the Extradition Act 1968 and the Fourth Schedule to the said Act. Singapore is thus able to assist with and make extradition requests relating to TF offences from and to any country which is a State Party to the FT Convention.

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

**5.5 Timely and actionable financial intelligence is crucial to the global fight against terrorism and TF threats.** To date, STRO has concluded 51 Memoranda of Understanding (MoU) and Letters of Undertaking (LoU), enabling the sharing of 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 CDSA, STRO can exchange financial intelligence with members of the Egmont Group without needing a MoU or LoU. This has tripled STRO's network of FIU counterparts for exchanging of financial intelligence.

#### **Participation in international and regional platforms**

**5.6 Singapore actively participates in key international fora on ML/TF/PF, including the FATF,** the Asia/Pacific Group on Money Laundering (APG), the South East Asia Justice Network (SEAJust), the Priority Counter-Terrorism Financing Forum – Central Authorities (CTF Forum), and INTERPOL's Project PACIFIC Working Group.

#### **UPDATES SINCE 2020**

**5.7** Recognising the rapidly evolving TF landscape and its threat to the global financial system, Singapore made TF a priority during our FATF Presidency from 2022 to 2024. During this period, the Singapore FATF Presidency had championed various FATF projects pertaining to TF, such as *Best Practices in Combating the TF abuse of NPOs* and the *Use of Crowdfunding as an Emerging TF Typology*. These projects raised awareness and galvanised action among FATF members and the international community to address the increasingly sophisticated methods employed by terrorist actors.

**5.8** In addition, STRO is a member of the Financial Intelligence Consultative Group (FICG), which brings together FIUs in the ASEAN region, Australia, and New Zealand, to collaborate on AML/CFT matters and develop regional solutions to tackle TF and high-risk financial crimes through the sharing of financial intelligence.

**5.9** These fora enable Singapore to learn from the best practices of the regional and international CFT community and contribute to the development of international CFT standards.

## Looking Ahead

5.10 **Singapore is committed to fully considering and executing requests for assistance from foreign jurisdictions related to terrorism and TF matters**, as far as possible, and in a timely fashion. To complement our cooperation through formal channels, Singapore will continue to exchange information via informal channels, conduct coordinated enforcement actions, and strengthen partnerships with our international counterparts.

5.11 **Given the transnational nature of TF, Singapore is committed to international efforts to enhance the understanding of emerging TF risks at both the international and regional levels.** Singapore will continue to actively participate in international and regional platforms to share information and experiences, conduct joint studies, and raise awareness of emerging TF typologies. Additionally, Singapore seeks to tap into 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 to further strengthen global CFT capabilities.



## CONCLUDING REMARKS

**Terrorism and TF threats do not respect national borders.** The global threats of terrorism, violent extremism, and their financing remain a real and present danger, both globally and domestically. Singapore reiterates our deep commitment to the fight against the global threats of terrorism and TF. Since the last publication of the National Strategy for CFT in 2022, Singapore has strengthened our legislative, regulatory, and enforcement approaches to tackle emerging TF threats and address previously identified gaps, as articulated in this paper.

**The global and regional terrorism and TF landscape is rapidly evolving.** In recent years, there has been an increasing trend of self-radicalised individuals who may be self-funded, leaving little or no trace in the financial system. The rapid development of new funding methods, including cross-border fast payment systems and crowdfunding via online platforms, poses new TF threats and vulnerabilities. However, what remains unchanged is that terrorists and terrorist organisations need money to operate.

**This National Strategy for CFT continues to serve as the guidepost for Singapore's fight against TF and complements Singapore's National Counter-Terrorism Strategy.** Singapore will continuously refresh our understanding of our TF threats and vulnerabilities, thereby informing the formulation of up-to-date and robust strategies, policies, and frameworks to support our CFT policy objectives of preventing, deterring, and disrupting TF. Our law enforcement apparatus will not hesitate to take swift and resolute action against terrorists, terrorist entities, and their supporters, cooperating with foreign counterparts and industry partners, to make our country, region, and the world safer and more secure.

\*\*\*\*\* END \*\*\*\*\*

## 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>CBNI</b>	Physical Currency and Bearer Negotiable Instruments (CBNI)
<b>CDD</b>	Customer Due Diligence
<b>CDSA</b>	Corruption, Drug Trafficking, and Other Serious Crimes (Confiscation of Benefits) Act
<b>CFTB</b>	Counter-Financing of Terrorism Branch (of CAD)
<b>COC</b>	Commissioner of Charities
<b>CFT</b>	Counter Financing of Terrorism
<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>e-CBCRR</b>	Electronic Cross-Border Cash Reporting Regime
<b>e-SGAC</b>	Electronic Singapore Arrival Card
<b>FATF</b>	Financial Action Task Force
<b>FIs</b>	Financial Institutions
<b>FICG</b>	Financial Intelligence Consultative Group
<b>FIU</b>	Financial Intelligence Unit
<b>FT Convention</b>	International Convention for the Suppression of the Financing of Terrorism
<b>GRA</b>	Gambling Regulatory Authority

<b>IAC</b>	Inter-Agency Committee
<b>ICA</b>	Immigrations and Checkpoint Authority
<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 Agencies
<b>LoU</b>	Letters of Undertaking
<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>MoU</b>	Memoranda of Understanding
<b>NPOs</b>	Non-Profit Organisations
<b>NRA</b>	National Risk Assessment
<b>OCHA</b>	Online Criminal Harms Act
<b>PF</b>	Proliferation Financing
<b>PMLTF</b>	Prevention of Money Laundering and Terrorism Financing Act
<b>PS Act</b>	Payment Services Act
<b>PSMDs</b>	Precious Stones and Precious Metals Dealers
<b>PSPM Act</b>	Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Act
<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>SPF</b>	Singapore Police Force
<b>SPRC</b>	Security Policy Review Committee
<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