Singapore's Law Enforcement Strategy to Combat Money Laundering

October 2024

EXECUTIVE SUMMARY

The **Singapore Police Force**, the **Central Narcotics Bureau**, and the **Corrupt Practices Investigation Bureau** are the three law enforcement agencies responsible for investigating money laundering in Singapore. To tackle the key threats identified in the 2024 Money Laundering National Risk Assessment and support Singapore's anti-money laundering strategy, the agencies have identified **four Focus Areas**. Work in these Focus Areas is supported by a robust **legal framework**, the effective use of **technology**, **public-private partnerships**, and strong **international cooperation**. Singapore law enforcement agencies are taking **10 Key Actions** under the Focus Areas, so that we stay one step ahead of the dynamic operating landscape and evolving money laundering typologies.

Focus Area 1 **Whole-of society outreach & awareness of key ML threats**	(i) **Engage society** to deter money laundering activities (ii) **Share emerging risks observed** with other public agencies for stronger supervision and regulatory enforcement
Focus Area 2 **Better sensemaking across public and private stakeholders**	(iii) Enhance the analysis and use of **financial intelligence** to detect ML (iv) Promote interagency and public-private **information flows** and collaboration
Focus Area 3 **Enhance investigative capability for key ML threats**	(v) Ensure **anti-money laundering laws** remain up-to-date and dissuasive (vi) Build on platforms with **other competent authorities and international counterparts** to detect and investigate ML (vii) Leverage **digitalisation and technology** for more effective investigative tools
Focus Area 4 **Strengthen asset recovery capabilities**	(viii) Continue to **pursue criminal assets moved into and out of Singapore** (ix) Strengthen capabilities in tracing and recovering **virtual assets** (x) Ensure strict enforcement of the **cross-border cash reporting regime**

INTRODUCTION

1.   Money laundering (ML) is the processing of criminal proceeds to disguise their illegal origin through *placement*, *layering*, and *integration*[1]. These criminal proceeds can be generated from various criminal activities, including fraud, corruption, and drug trafficking. The United Nations Office on Drugs and Crime estimates that the amount of money laundered globally in one year is 2-5% of global Gross Domestic Product[2].

2.   In Singapore, three law enforcement agencies (LEAs) are directly involved in investigating ML – the Singapore Police Force (SPF), the Central Narcotics Bureau (CNB), and the Corrupt Practices Investigation Bureau (CPIB). CNB has an embedded Financial Investigation Team that investigates ML related to drug offences, whereas CPIB investigation officers across all CPIB investigation units are trained to investigate ML arising from bribery-related predicate offences. SPF investigates ML in relation to (i) all other local predicate offences such as fraud, illegal gambling, and other serious offences referred by other domestic agencies, and (ii) foreign predicate offences. Since 1992, Singapore has been a member of the Financial Action Task Force (FATF), a global ML and terrorist financing (TF) watchdog.

3.   This document sets out *Singapore's Law Enforcement Strategy to Combat Money Laundering*, which supports Singapore's overarching Anti-Money Laundering (AML) Strategy. This document also refreshes and replaces the SPF's *AML Policy Statement and Strategies 2016* and will apply to all three LEAs that investigate ML – the SPF, the CNB, and the CPIB.

4.   Earlier this year, Singapore published an updated ML Risk Assessment Report[3] which highlighted fraud, organised crime, corruption, tax crimes, and trade-based ML as key ML threats to Singapore. The report also highlighted that banks pose the highest ML risks to Singapore. Figure 1 below summarises the findings from the 2024 ML Risk Assessment Report. This Law Enforcement Strategy aims to address the key ML threats identified in the ML Risk Assessment Report and guide the LEAs' AML efforts.
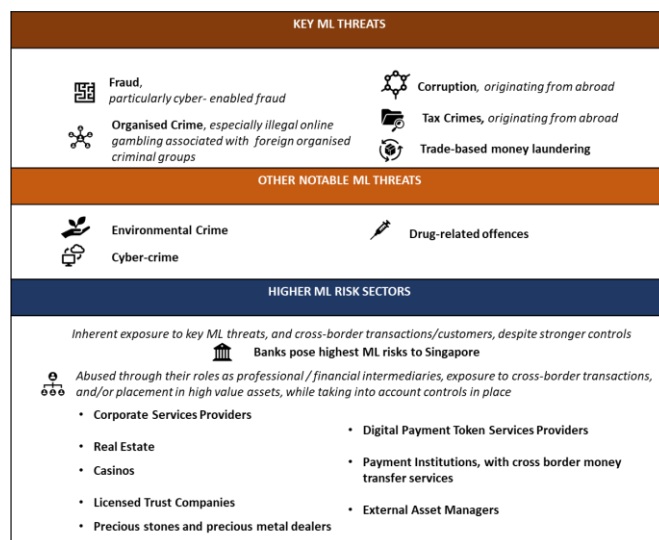

Figure 1: Singapore's 2024 Money Laundering Risk Assessment

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[1] https://www.unodc.org/e4j/en/organized-crime/module-4/key-issues/money-laundering.html

[2] https://www.unodc.org/unodc/en/money-laundering/overview.html

[3] https://www.mas.gov.sg/publications/monographs-of-information-paper/2024/money-laundering-national-risk-assessment.

BACKGROUND

> "   Singapore strives to be a reputable, trusted and thriving financial and business hub. We have a hard-earned track record and every intention to keep our system clean. This must mean keeping money launderers out of our system, as best as we can.
>
> Our anti-money laundering regime has three pillars:
> (a) **Prevention**, through a robust legal and regulatory framework to deter such criminals;
> (b) **Detection**, to ensure that illicit activities are picked up early; and
> (c) **Enforcement**. We take firm and prompt enforcement action against money laundering."
>
> *Second Reading of the Anti-Money Laundering and Other Matters (AMLOM) Bill – Opening Speech by Mrs. Josephine Teo, Minister for Digital Development and Information and Second Minister for Home Affairs (published 06 August 2024)[4]*

5.   Singapore adopts a holistic approach to AML involving government agencies, public-private partnerships, and international collaboration, supported by the three pillars of prevention, detection, and enforcement. The SPF, the CNB, and the CPIB play a significant role in all three pillars.

6.   One of the three groups within the SPF's Commercial Affairs Department (CAD), the Financial Investigation Group[5], is the investigative lead for ML and asset confiscation. The Financial Investigation Group includes:

- The International Cooperation Branch, which renders timely assistance to foreign requests to combat transnational ML and is a member of the Asset Recovery Interagency Network – Asia Pacific (ARIN-AP) and INTERPOL Expert Working Groups on financial crime.
- The Asset Confiscation Branch, which handles post-conviction unexplained wealth confiscation proceedings.
- The Specialised Fraud Investigation Branch, which investigates non-compliance with the cross-border cash reporting regime, counterfeit currency, and insurance fraud, among others.
- The Anti-Scam Command, which investigates complex scam cases including tackling cross-border syndicates. It also houses the Anti-Scam Centre (ASC), which is SPF's nerve centre for disrupting the transfer of criminal proceeds through the financial system by working closely with private sector stakeholders such as banks.
- The Policy & Operations Division, with ML policy analysts who stay abreast of latest risks and trends. This includes participating and contributing at the FATF's Risk, Trends and Methods Group (RTMG) and ensuring that Singapore's LEAs meet the latest FATF standards.

7.   SPF also houses the Suspicious Transaction Reporting Office (STRO), which is Singapore's Financial Intelligence Unit (FIU) and a member of the Egmont Group of FIUs. The STRO is responsible for receiving and analysing Suspicious Transaction Reports (STRs), Cash Movement Reports (CMRs), and Cash Transaction Reports (CTRs), and disseminating

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[4] http://www.mha.gov.sg/mediaroom/parliamentary/second-reading-of-the-anti-money-laundering-and-other-matters-amlom-bill/

[5] The other two groups are the Intelligence & Administration Group (which includes the Suspicious Transactions Reporting Office) and the Enforcement Group (which investigates complex fraud and commercial crime).

financial intelligence to combat ML, TF, and other serious crimes. The STRO also collaborates with other foreign FIUs to combat ML, TF, and other serious crimes.

8.   Aside from the CAD, the Financial Investigation Branch (FIB) of the Criminal Investigation Department was established in 2015 to tackle increasing ML risk in other non-commercial crime types. The FIB conducts parallel financial investigations with other branches investigating predicate offences such as organised crime, gambling offences such as illegal online gambling, theft of cryptocurrency, and other specialised crimes. Such investigations include conducting enquiries into the financial affairs related to criminal activities to identify the extent of criminal networks and identify and confiscate illicit funds. The officers also conduct asset tracing and concealed income analysis as part of the ML investigation process.

9.   In recognition of the transnational and proceeds-generating nature of drug and corruption offences, the CNB and the CPIB, which are specialised LEAs set up to tackle these respective crime types, are competent authorities designated to lead ML investigations related to drug and corruption offences respectively.

10.   The CNB's Financial Investigation Team (FIT) was formed in the 1990s to handle all drug-related ML, financial investigations, and conduct parallel investigations into the financial affairs of the targets of drug investigations. The CNB's FIT also investigates into persons-of-interest by assisting with financial screenings and analysis of cases to sieve out and trace the money trail, providing additional data points in the investigations against drug trafficking syndicates. The CNB's Intelligence Division and Investigation Division work closely with international partners on anti-drug and anti-drug ML matters. The International Operations Desk in the CNB's Intelligence Division is the point-of-contact with the CNB's foreign counterparts such as INTERPOL and manages all intelligence requests to and from the CNB's foreign counterparts. On the other hand, the CNB's Investigation Division handles all formal drug-related international cooperation matters via the Mutual Legal Assistance (MLA) channel, including requests under the Extradition Act, for investigation matters.

11.   The CPIB is the sole anti-corruption agency in Singapore with the mandate to investigate and prevent corruption (bribery) in Singapore. The Bureau can also undertake investigations into any other Penal Code offences uncovered in the course of its corruption investigations. CPIB investigators across all CPIB investigation units are trained in financial investigations to (i) detect possible ML offences arising from bribery-related predicate investigations; and to (ii) disgorge the illegal proceeds gained through the corrupt acts. The investigation units also work on requests for assistance related to corruption, such as rendering assistance to foreign LEAs in the recovery of corrupt proceeds. The CPIB's investigation units are supported by the CPIB's Operations Department, which includes the Bureau's Intelligence Division and the International Affairs & Liaison Branch. The CPIB's Intelligence Division is responsible for receiving and analysing corruption-related financial intelligence disseminated from the STRO including managing corruption-related requests made through the Egmont (FIU) channel, while the CPIB's International Affairs & Liaison Branch manages the Bureau's engagements within the international anti-corruption circuit, such as the International Anti-Corruption Coordination Centre (IACCC), and handles direct requests for assistance made via the agency-to-agency channel.

12.   Other government agencies that investigate other predicate offences that tend to generate proceeds refer cases of suspected ML to the SPF based on established procedures. They include the Inland Revenue Authority of Singapore (IRAS) (tax-related offences), the National Parks Board (wildlife trafficking), the National Environmental Agency (environmental

crimes), Singapore Customs (customs offences), the Health Sciences Authority (illegal health products), the Immigration & Checkpoints Authority (immigration-related offences), and the Ministry of Manpower (kickbacks for employment contracts). Even when no ML charges can be preferred, the SPF works to disgorge criminals of their benefits from these illegal activities through other legislative levers.

13.   All LEAs and other government agencies work closely with Singapore's Central Authority in making MLA and extradition requests to, and responding to requests from, foreign jurisdictions. Singapore's Central Authority is situated within the International Affairs Division of the Attorney-General's Chambers (AGC). It processes all formal requests for assistance in accordance with robust internal processes for the prioritisation and execution of such requests. Formal MLA requests are used in tandem with informal cooperation channels such as INTERPOL, ARIN-AP, IACCC, and direct LEA channels. This comprehensive approach enables Singapore to cooperate with its partners in tackling transnational crime.

14.   The key piece of legislation governing criminal investigations is the Criminal Procedure Code 2010 (CPC), which empowers police officers to arrest suspects and seize property in certain cases, including ML investigations. The Misuse of Drugs Act 1973 and Prevention of Corruption Act 1960 avail these CPC powers to CNB and CPIB officers under appropriate circumstances. The Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 (CDSA) targets ML and contains various ML offence provisions as well as a legal framework for confiscation of unexplained wealth following convictions for serious offences.

REVIEW OF SPF AML POLICY STATEMENT AND STRATEGIES 2016

15.   The SPF AML Policy Statement and Strategies document 2016 states that Singapore's AML/CFT policy objectives are to detect, deter and prevent ML, associated predicate offences and TF; and to protect the integrity of its financial system from illegal activities and illicit fund flows. This was to be achieved through the two prongs of (i) adequately *focusing on ML investigations* in Singapore, regardless of whether the ML offence arose from a domestic or foreign predicate offence; and (ii) *depriving criminals of the proceeds and instrumentalities* of their crimes (both domestic and foreign), or of property of an equivalent value.

16.   LEAs have made major progress on the six strategies in the SPF AML Policy Statement and Strategies document 2016, but recognise the need to continually address ML risks and to pay attention to emerging threats:

SPF AML Strategies 2016	LEAs' progress
1. Ensure that *ML is pursued* in all appropriate cases, including those arising from foreign predicate offences	The SPF has joint ML referral Standard Operating Procedures (SOPs) with all relevant predicate agencies which set out clear processes and provide guidance on the identification of ML and the referral of cases for parallel financial investigations. There is also a strong emphasis on training, and investigators from the SPF, the CNB, and the CPIB are sent for in-house courses and conferences with industry partners and international counterparts. The SPF also provides regular training to predicate agencies in Singapore to deepen their understanding of ML and familiarity with the SOPs for alerting the SPF of the possible need for parallel investigations.

2. Promote effective *international cooperation*	Singapore's LEAs have incorporated international cooperation into investigative processes and SOPs and worked with multiple foreign law enforcement counterparts to carry out joint investigations and operations to bust transnational criminal syndicates. Singapore's LEAs are also part of several international multilateral and bilateral initiatives on financial crime, where information received has enabled the agencies to commence domestic ML investigations.
3. *Asset Confiscation* as a Desired Outcome	As stated in Singapore's National Asset Recovery Strategy published in June 2024, asset recovery is one of the key priorities of Singapore's AML regime where LEAs seek to deprive criminals of their illicit proceeds to remove the financial incentive for criminals, and at the same time, help victims recover property and assets lost to criminal activities. Whole-of-government Guidelines on Asset Management and Cryptocurrencies have also been rolled out to all LEAs to enhance asset management standards across the government. Between January 2019 and June 2024, LEAs in Singapore seized S$6 billion linked to criminal and ML activities, of which S$416 million has been returned to the victims and S$1 billion has been forfeited to the State. The large bulk of the remainder is linked to ongoing investigations or court proceedings.
4. Address *ML risks identified in NRA*	This recommendation was directly linked to the 2013 ML and TF Risk Assessment and ongoing work of Singapore's Risks and Typologies Inter-agency Group (RTIG). LEAs have acted decisively. In the past few years, strong action has been taken against syndicates for key threats, such as cyber-enabled fraud and transnational organised crime. The work to stay ahead of enterprising criminals continues, especially in relation to key ML threats and a changing risk landscape.
5. Strengthen *collaboration with STRO*	The STRO conducts strategic analyses, prioritised based on risks identified within risk assessments and the operational needs of the LEAs and sector supervisors. STRO has also strengthened its outreach to various sectors by sharing red flag indicators, findings from strategic analyses, and feedback on STR quality with STR filers. More AML/CFT regulators will soon be able to access the STRs filed by their respective regulated entities through the STRO, enabling them to better detect ML, TF, and proliferation financing (PF) risks.
6. Attention to *emerging trends*/Reduce "unknown unknowns"	Singapore's LEAs have established strong platforms and processes that enable them to stay ahead of the game. The agencies actively collaborate with the private sector through initiatives like the AML/CFT Industry Partnership (ACIP), partner with other public agencies, engage with international platforms such as the FATF's RTMG and are well-positioned to understand emerging trends. The agencies will continue to build on these efforts, which include engaging private companies on cryptocurrency developments and working on Best Practice Papers with ACIP members.

17.   This updated and expanded Law Enforcement Strategy to Combat Money Laundering replaces the 2016 policy statement and strategies and will apply to all three LEAs that investigate ML in Singapore – the SPF, the CNB, and the CPIB.

SINGAPORE'S LAW ENFORCEMENT STRATEGY TO COMBAT MONEY LAUNDERING 2024

Figure 2: Singapore's Law Enforcement Strategy to Combat Money Laundering

18.　This Law Enforcement Strategy to Combat Money Laundering addresses ML threats identified in the Singapore's 2024 National ML Risk Assessment and has been updated to account for the evolving ML risks and typologies. The strategy (Figure 2) is aligned with the three pillars of **prevention**, **detection**, and **enforcement**, and supports Singapore's overall AML strategy. The agencies have identified four Focus Areas specific to LEAs. On the prevention front, whole-of-society **outreach & awareness** of key ML threats ensures relevant stakeholders have sufficient and up-to-date knowledge of ML trends and risks. Better **Sensemaking** across public and private stakeholders enables LEAs to gain insights from multiple data sources to prevent illicit fund flows or money launderers gaining a foothold in the financial system. **Enhancing investigative capability** in legal levers and operational tools enables agencies to counter evolving ML threats. Lastly, strengthening **asset recovery** ensures effectiveness of Singapore's AML regime and removes the incentives from financial crime.

19.　The four Focus Areas are supported by a robust **legal framework**, which LEAs rely on to exercise legal powers of investigation and enforcement. Digitalisation and **technology** have made available new data sources and digital tools that can be harnessed to detect and investigate ML. Recognising that LEAs cannot work in isolation, SPF, CNB, and CPIB are increasingly reaching out and collaborating with trusted partners such as in the financial sector through **public-private partnerships**, as well as foreign counterparts through a strong focus on **international cooperation** given the transnational nature of organised crime.

20.　Across the four Focus Areas, SPF, CNB, and CPIB have articulated 10 Key Actions to support this strategy:

- Focus Area 1: Whole-of-society outreach & awareness of key ML threats
    (i) **Engage society** to deter ML activities
    (ii) **Share emerging risks observed** with other public agencies for stronger supervision and regulatory enforcement

- Focus Area 2: Better sensemaking across public and private stakeholders
    (iii) Enhance the analysis and use of **financial intelligence** to detect ML

(iv) Promote interagency and public-private **information flows** and collaboration

- Focus Area 3: Enhance investigative capability for key ML threats
  (v) Ensure **AML laws** remain up-to-date and dissuasive
  (vi) Build on platforms with **other competent authorities and international counterparts** to detect and investigate ML
  (vii) Leverage **digitalisation and technology** for more effective investigative tools

- Focus Area 4: Strengthen asset recovery capabilities
  (viii) Continue to **pursue criminal assets moved into and out of Singapore**
  (ix) Strengthen capabilities in tracing and recovering **virtual assets**
  (x) Ensure strict enforcement of the **cross-border cash reporting regime**

FOCUS AREA 1: WHOLE-OF-SOCIETY OUTREACH & AWARENESS OF KEY ML THREATS

21.   Singapore's LEAs proactively work to prevent illicit funds from entering the financial system from the onset. LEAs guard against the placement, layering, and integration of illicit proceeds. The agencies do this by educating the populace and industry partners in key sectors vulnerable to abuse to prevent them being exploited to facilitate ML. They also work with other public sector agencies to keep abreast of their ML risks, strengthen government regulation and implement relevant mitigation measures.

Key Action (i) – Engage society to deter ML activities

Figure 3: Digital posters to deter money mules

22.   In 2023, new offences were enacted under the CDSA and the Computer Misuse Act 1993 (CMA) to tackle money mule networks that enable criminal syndicates to move money through Singapore's financial system. This included provisions under the CDSA which

criminalise rash and negligent ML, and those under the CMA that criminalise the disclosure of an individual's Singpass[6] credentials. The legislative amendments were accompanied by deliberate and extensive public education and communication initiatives including press releases, content on the SPF's microsite (for example, the digital posters in Figure 3) and social media channels, and crime prevention roadshows and talks. For instance, Crimewatch[7] 2023 Episode 10 cautioned the public against facilitating ML[8]. In the past few years, the CPIB has worked with news outlets to highlight its advances in detecting financial crime[9] and its high-level commitment to *go after every dollar[10]* of illicit proceeds. In the same vein, the CNB has also updated its communications strategy to highlight significant confiscations of drug-related criminal benefits to the media for public deterrence, and to emphasise that traffickers will not be allowed to enjoy the financial benefits of their crimes. The SPF, the CNB, and the CPIB will continue their efforts to educate the public against becoming facilitators of ML.

23. In 2018, the CPIB established the Anti-Corruption Partnership Network (ACPN) to promote greater awareness and collaboration in the private sector on preventing financial crime including corruption and associated ML. This includes educating private sector partners on the modus operandi employed by corrupt actors and emerging risks such as the use of virtual assets to layer corrupt proceeds. The CPIB holds annual ACPN events with the 88 members which include financial institutions, auditing and consultancy firms, professional bodies, and industry associations. In February 2022, the CPIB partnered with one of the local banks to organise a virtual ACPN event *Preventing Corruption Together with Financial Institutions* during which the CPIB presented on its role in combatting ML. Earlier this year, the CPIB and Changi Airport Group co-organised the ACPN event *Fostering Corporate Governance and Best Practices in Internal Investigations* for more than 170 industry experts and anti-corruption practitioners, which included a case study sharing on offshore ML to demonstrate the CPIB's commitment to disgorge corrupt proceeds. The CPIB also regularly conducts prevention talks to educate private sector organisations on corruption and associated ML.

24. In line with the 2024 ML National Risk Assessment in which banks were identified as posing the highest ML risks to Singapore, the agencies have been working especially closely with this sector to identify and mitigate ML risks. One key platform is the AML/CFT Industry Partnership (ACIP), established in 2017 to bring

In 2023, the CNB shared with ACIP members the financial *modus operandi* observed in local drug trafficking cases to deepen the banks' understanding of the types of suspicious drug transactions. The CNB also collaborated with two local banks to further explore leveraging their technological capabilities in detecting suspected drug-related transactions, and mobilised ACIP members to assist in a specific drug syndicate ML investigation.

together the financial sector, regulators, and LEAs to collaborate on identifying and mitigating ML, TF, and PF risks. ACIP is co-chaired by the SPF's CAD and the Monetary Authority of

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[6] Singpass is the national digital identity service that allows Singapore residents to access government and business services online. LEAs had observed a trend of Singpass users giving away their Singpass credentials, usually for money, to criminals who could then use the Singpass accounts to register companies and open bank accounts.

[7] Crimewatch is a crime prevention series produced by the National Crime Prevention Council in collaboration with the SPF that premiered in 1986.

[8] https://youtu.be/xvcnk8SnHfY?si=D1F0YGbjCoqkIP3S

[9] https://www.businesstimes.com.sg/opinion-features/features/fighting-graft-tech-how-cpibs-work-has-evolved

[10] https://www.zaobao.com.sg/news/singapore/story20240714-4256820?amp

Singapore (MAS) and has been a valuable platform through which the SPF, the CNB, and the CPIB raise awareness on ML typologies while getting insights from banks on the latest trends in the sector. As part of continuous effort to inform the industry of emerging typologies, ACIP also disseminates *ACIP advisories* to enable mitigation measures to be taken swiftly. The SPF, the CNB, and the CPIB recognise the importance of public-private partnerships in mitigating ML risks and will continue looking for ways to strengthen engagement through ACIP and other appropriate platforms.

Key Action (ii) – Share emerging risks observed with other public agencies for stronger supervision and regulatory enforcement

25. Besides LEAs, all regulatory and supervisory agencies play a role in preventing the placement, layering, and integration of criminal proceeds in the financial system. Through the RTIG, the SPF, the CNB and the CPIB have been sharing observed emerging risk areas, latest typologies, and red flags with participating public agencies which include relevant operational, policy, and regulatory authorities. The SPF, the CNB, and the CPIB also contribute actively to the development of the national and sectoral ML risk assessments, including the National ML Risk Assessment 2024 published earlier this year. It is crucial that the three LEAs investigating ML highlight observed threats and vulnerabilities to the relevant public agencies so that these gaps do not continue to be exploited. The agencies also work with sectoral supervisors on an ad-hoc basis, such as case-specific information sharing with the MAS and participating as speakers at AML events organised by the Urban Redevelopment Authority and the Charities Unit for their respective sectors. The SPF is also a regular participant of industry outreach events such as the Association of Banks in Singapore (ABS) Financial Crime Seminar as well as the Association of Certified Anti-Money Laundering Specialists where its officers share the latest typologies and enforcement actions taken to address key risks.

26. In August 2023, the SPF conducted a large-scale AML operation resulting in the arrest of 10 foreign nationals and seizure of significant assets suspected to be criminal proceeds. Over the course of investigations, more than S$3 billion worth of assets including physical currency, bank accounts, cryptocurrency, real estate property, and vehicles were seized or frozen. All 10 accused persons have since been convicted for ML and other charges, with more than 90 percent of the assets seized in relation to them (worth about S$1 billion) forfeited to the State. The case highlighted valuable lessons on how criminals have adapted their tactics to evade our safeguards. Hence, Singapore promptly established an Inter-Ministerial Committee chaired by Minister in the Prime Minister's Office and Second Minister for Finance and National Development Ms. Indranee Rajah to review and further strengthen Singapore's AML system to tackle evolving ML risks. The SPF has been heavily involved in the Inter-Ministerial Committee and worked closely with other public agencies to identify potential areas of enhancements in Singapore's whole-of-government AML regime with the benefit of observations from the case. The Inter-Ministerial Committee released its findings and recommendations on 4 October 2024[11].

27. Additionally, the STRO conducts strategic analyses prioritised based on risks identified through the RTIG and the operational needs of the LEAs and sector regulators. Findings from the analyses are then disseminated to relevant agencies. The STRO also provides feedback on the quality of STRs submitted and relevant findings from strategic analyses to STR filers through publications, sector outreach sessions, and customised feedback to the top STR filers.

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[11] https://www.mas.gov.sg/-/media/mas-media-library/news/media-releases/2024/imc-report.pdf

The STRO works in close partnership with sector regulators to review and update the list of sector-specific red flag indicators for STR filing. The lists of red flag indicators are available on the STRO's Online Notices and Reporting platform (SONAR), accessible by all registered reporting entities. The STRO will continue supporting sector regulators in engagements with financial institutions and designated non-financial businesses and professions to raise awareness on the importance of STR filing, provide feedback on the quality of the STRs filed, and share trends and red flag indicators observed.

FOCUS AREA 2: BETTER SENSEMAKING ACROSS PUBLIC AND PRIVATE STAKEHOLDERS

28.   The concept of sensemaking can be described as *detecting patterns in data and inferring the underlying causes of those patterns*[12]. Within the AML space, financial intelligence, including STRs, CMRs, CTRs, and other financial data, is naturally a major source of useful information which can be complemented with other sources of information.

Key Action (iii) – Enhance the analysis and use of financial intelligence to detect ML

29.   The STRO has embarked on a digital transformation journey which includes the launch of its data collection platform, SONAR, in 2018. SONAR has been further enhanced over the years, such as implementing standard CSV templates and XML report forms for reporting entities. In 2022, the STRO commissioned its enhanced analytics and data management system which equips the STRO with capabilities to process large volumes of reports, automatically triage and disseminate STRs based on thematic business rules and improve the quality of financial intelligence disseminated to LEAs and foreign FIUs. The STRO will continue to explore system and process enhancements to further improve the analysis of financial intelligence and usefulness of disseminations to investigation units.

30.   Singapore has also amended its laws to enable more government agencies to share relevant data with the STRO to develop richer financial intelligence. For example, IRAS and Singapore Customs will soon be able to share domestic tax data and trade data respectively with the STRO. The sharing of such data will enable the STRO to augment its analyses on ML, TF, and PF risks and provide richer intelligence to LEAs and government AML/CFT supervisors. Additionally, new laws were also introduced to enable more AML/CFT supervisors to access STRs filed by their respective regulated entities. Consequently, supervisors now have a better overview of the existing and emerging ML, TF, and PF risks and trends relating to their sectors and can take supervisory and regulatory actions earlier and more effectively.

31.   Beyond the STRO, the utilisation of financial intelligence products by LEAs is another important part of the financial intelligence ecosystem. The CPIB, for instance, has incorporated mandatory screening against STRs as part of the investigation process of all cases by default and the SPF has incorporated screening against STRs into the ML assessment and referral process for competent authorities that investigate predicate offences. Similarly, in the CNB, there is mandatory screening against STRs for all financial investigations, and for all drug predicate offences involving cross-border activities. On top of screenings against the STRO's database, the STRO also actively disseminates the results of its operational analysis with the relevant LEAs for potential commencement of new investigations into ML, TF or associated

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[12] https://www.iarpa.gov/research-programs/icarus

predicate offences where appropriate. The STRO and LEAs will continue to work closely to improve the use of financial intelligence in the detection and investigation of ML and for asset recovery.

Key Action (iv) – Promote interagency and public-private information flows and collaboration

32.   Arising from the Inter-Ministerial Committee's review of Singapore's AML regime, the SPF is collaborating with other agencies to develop a data interface across the whole government, NAVIGATE (National AML Verification Interface for Government Agencies Threat Evaluation). Using NAVIGATE, law enforcement agencies, sector supervisors and other relevant agencies can seamlessly screen against one another's databases and expeditiously assess entities of concern for ML risks. This replaces the current ad-hoc data requests between agencies, which can be cumbersome and have a limited scope. Agencies would be better equipped to cross-share relevant information and develop a timelier and more comprehensive picture of potential ML risks in the financial system.

33.   Singapore is further replacing the existing interagency mechanism, the Inter-Agency STR Analytics Taskforce (ISTRA) with the AML Case Coordination and Collaboration Network (AC3N). This is an enhanced platform co-led by SPF and MAS, and comprises all relevant supervisors, law enforcement agencies, and intelligence agencies involved in combatting ML. With a wider membership and a higher level of oversight than ISTRA, AC3N will be able to more quickly "connect the dots" on cases with a nexus to multiple industry sectors and government touchpoints and pursue a wider range of measures against criminals and bad gatekeepers.
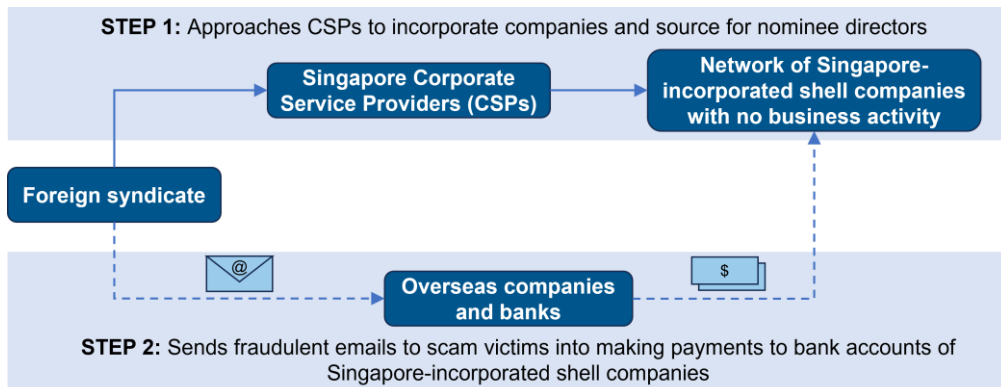

Figure 4: Schematic of misuse of shell companies

34.   The SPF continues to work with the financial industry to detect and develop cases through ACIP Case-Specific Information (CSI) taskforces. Tactical information is shared with the financial institutions through a hub-and-spoke model, which conduct further analytics on the information to surface new leads. One of the ACIP CSI projects (Figure 4) involved shell companies being incorporated remotely and whose bank accounts received proceeds of Business Email Compromise fraud. Through ACIP, the SPF and financial institutions analysed the data and discovered a wider network of companies believed to be shell companies poised to receive illicit proceeds. Tactical information and case-specific commonalities were shared with the banks which then provided further leads, allowing the SPF to intervene early and prevent USD 15 million of funds from being diverted to these accounts, denying criminals of their illicit proceeds.

Figure 5: ASC officer working with co-located staff members from banks

35.   The SPF's ASC, the nerve centre for tracing and disrupting the flow of illicit funds in the financial system, has co-located staff from six banks[13] as well as the Government Technology Agency which oversees Singpass, to enhance real-time coordination with SPF in investigative efforts (Figure 5). In 2020, the SPF launched Project FRONTIER[14], working closely with partner banks, FinTech companies, online marketplaces, and other stakeholders to disrupt illicit fund flows by swiftly freezing bank accounts and mitigating victims' losses. Since then, this network has expanded to include over 110 partners, including cryptocurrency platforms and overseas LEAs. The SPF is continuously exploring new ways and tools to increase our ability to identify, interdict, and investigate ML syndicates, including through data sharing.

> In 2023, ASC utilised Robotic Process Automation to disseminate crucial information concerning compromised PayNow (a peer-to-peer funds transfer service) identifiers to partnering banks which were then able to leverage their own technical capabilities to address these conduits of illicit fund flows.

FOCUS AREA 3: ENHANCE INVESTIGATIVE CAPABILITY FOR KEY ML THREATS

36.   Investigative capability refers to the ability of the SPF, the CNB, and the CPIB to detect ML cases and take strong enforcement action against money launderers. This encompasses the legal framework, resources, and external partnerships. The agencies' investigators receive extensive training not just on general investigation techniques but specifically on conducting financial investigations and asset recovery. The SPF, the CNB, and the CPIB not only have in-house training, including some modules accredited by the Institute of Singapore Chartered Accountants, but also send officers for courses and conferences with industry partners and international counterparts. The agencies continuously review their structure and resourcing, and the SPF is exploring more dedicated resources to target threats including ML involving virtual assets and trade-based ML.

Key Action (v) – Ensure AML laws remain up-to-date and dissuasive

37.   Singapore's LEAs work closely with stakeholders to ensure our laws remain robust in addressing new developments in the ML landscape. In the past five years, Singapore has responded swiftly to evolving ML risks by introducing three tranches of amendments to the

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[13] DBS, OCBC, UOB, SCB, HSBC, and CIMB.
[14] Funds Recovery Operations and Networks Team, Inspiring Effective Resolutions

CDSA (in 2019, 2023, and 2024). This has equipped LEAs with a comprehensive toolkit to take timely and dissuasive action against money launderers amidst this changing landscape.

38.   Singapore's LEAs have observed that money mule networks and infrastructure are a key enabler for transnational criminal syndicates and are committed to taking strong enforcement action against such mules with the broader objective of disrupting and dismantling the wider money mule infrastructure. In 2019, a new offence under the current section 55 of the CDSA was introduced to target the prosecution of money mules who claim ignorance that the monies in their possession are linked to criminal conduct. As it was previously challenging for the prosecution to prove the *mens rea* required under CDSA offences, this new provision reversed the burden of proof onto the alleged money mules, requiring them to satisfactorily explain their possession of the property once the prosecution establishes that the property may be reasonably suspected of being criminal benefits.

39.   In 2023, further new offences were introduced under the CDSA and the CMA to deal with the burgeoning scam and money mule situation. This included provisions under the CDSA which criminalise rash and negligent ML, and those under the CMA that criminalise one's disclosure of their Singpass credentials. Among others, these enactments provide the SPF with greater enforcement levers against money mules and Singpass users who cause their payment or Singpass accounts to be misused in the laundering of criminal proceeds. Additionally, the 2019 amendments raised penalties for offences in the CDSA. In particular, penalties against legal persons were increased, such that corporate offenders may be fined up to S$1 million or twice the value of the property in respect of which the offence was committed, whichever is higher. The amendments strengthen deterrence against the misuse of corporate bank accounts to layer illicit funds, along with swift enforcement actions taken against such ML activities. The offence of the possession of a controlled drug under section

From 9 to 11 September 2024, 35 men and seven women aged between 18 and 43, were charged for new offences connected to scams-related money mule activities, which were introduced through the amendments to the CDSA and CMA in 2023.

8(a) of the Misuse of Drugs Act 1973 was added to the First Schedule of the CDSA with effect from September 2023, enabling the CNB to conduct and initiate concurrent ML and financial investigation and proceedings even when an accused person's drug trafficking charge is reduced to one for the possession of a controlled drug. This allows the CNB to better deal with drug offenders and prevent them from enriching themselves through their nefarious drug activities.

40.   Singapore's legislation has also been amended to enhance the ability to prosecute transnational ML offences. Singapore, as an international business, financial, and trading centre, is exposed to external ML threats arising from predicate offences with a foreign nexus. The CDSA was amended in 2019 to allow the prosecution to prove that an offence had been committed in the foreign country, without having to rely on the evidence of foreign governments or experts. In 2024, further legislative amendments were made to the CDSA to go a step further such that the Prosecution no longer needs to show the direct link between the foreign drug or serious offence, and the monies allegedly laundered in Singapore. It will be sufficient for the Prosecution to prove that the money launderer knew or had reasonable grounds to believe that the property he was dealing with were the gains from criminal conduct. This is aimed at tackling transnational syndicates that layer their criminal benefits via multiple bank accounts in foreign jurisdictions to conceal their illicit source of funds. The 2024 amendments also introduced a Third Schedule to the CDSA, designating foreign serious environmental offences as ML predicate offences. This allows LEAs to investigate domestic ML predicated on foreign serious environmental offences such as illegal mining, illegal waste

trafficking, and illegal logging, which LEAs were not previously able to do. This new Third Schedule recognises Singapore's position as a major transit hub in a resource-rich region where such foreign serious environmental crimes are rife. It is also in line with the 2024 ML National Risk assessment's observation that environmental crime is a notable ML threat.

Key Action (vi) – Build on platforms with other competent authorities and international counterparts to detect and investigate ML

41.   Singapore's LEAs work closely together to detect and investigate ML through various platforms targeted at specific risk areas. The SPF is a key member of the Tax ML and Trade-based ML Work Groups which were created under the RTIG to better identify and pursue cross-border tax and trade-based ML cases respectively. Through participating in these work groups, the SPF shares operational experience on tax ML and trade-based ML typologies with the relevant agencies and works with them to ensure robust operational processes in detecting and referring such cases to the SPF for parallel financial investigations. The SPF and the CPIB are also members of the Environmental Crimes Task Force and provided critical inputs for the development of the environmental crimes ML risk assessment. The SPF also leveraged this Task Force to raise awareness of ML cases linked to environmental crimes for better appreciation of policy, operational, and legal considerations. As the lead investigative authority for ML, the SPF works closely with the predicate enforcement agencies and has a joint ML referral SOP with eight predicate enforcement agencies on detecting and referring ML cases to the SPF for parallel investigations. In line with Singapore's risk profile, the SPF has a separate SOP with IRAS to detect and investigate tax ML, and a satellite office in IRAS with a seconded SPF officer to enhance the detection of tax-related ML activity for parallel ML investigation.

Figure 6: Police officers escorting the two men extradited from Malaysia

42.   The agencies participate in major transnational financial crime operations to fight ML and other cross-border criminal activity, and will continue building partnerships with foreign counterparts, such as the Financial Fraud Kill Chain arrangement that Singapore has had in place with the US authorities since June 2020. Internationally, Singapore has been a member of INTERPOL since 1968, and the National Central Bureau of Singapore is sited within the SPF's International Cooperation Department. The SPF has been participating in INTERPOL's Operation HAECHI since it started in 2020. In 2023, INTERPOL's Operation HAECHI IV concluded with almost 3,500 arrests and seizures of assets worth USD 300 million across 34 countries. In order to further strengthen international cooperation, the SPF was also involved in a review of the Mutual Assistance in Criminal Matters Act 2000 (MACMA) with the aim of, among others, empowering Singapore LEAs to take statements from witnesses and suspects in relation to requests for MLA arising from foreign criminal investigations. The proposed amendments will not only assist foreign authorities in their MLA requests, but also provide another avenue for Singapore LEAs to detect ML arising from foreign predicate offences. The SPF has spoken at various international forums such as the FATF Joint Experts Meetings and Asia / Pacific Group on ML (APG) Typologies Workshops and has seconded officers to international bodies such as INTERPOL and the FATF.

> From 2023 to 2024, a joint investigation team comprising the SPF, the Hong Kong Police Force, and the Royal Malaysia Police investigated a series of malware-enabled scams against Singaporeans which resulted in the arrest of two men in Malaysia and their extradition to Singapore to face charges including ML (Figure 6). Through this operation, the Hong Kong Police Force successfully took down 52 malware-controlling servers in Hong Kong and arrested 14 money mules while information shared with the Taiwan Police led to four arrests and the seizure of approximately US$1.33 million of assets including cryptocurrency and real estate.

43.   Given the high threat of corruption proceeds from abroad being laundered through the region, the CPIB maintains close working relationships with its foreign counterparts to facilitate timely cooperation and exchanges of information through direct agency-to-agency channels. In July 2017, the CPIB joined the UK National Crime Agency and other foreign LEAs to launch the UK-led IACCC, which looks into allegations of grand corruption[15]. The CPIB has seconded a senior officer to the IACCC since its inception. The IACCC facilitates simultaneous checks and information exchanges amongst agencies from multiple jurisdictions and agencies do not need to be onboard the IACCC to tap on the network's assistance. Recently, the CPIB rendered assistance on three separate IACCC cases by coordinating meetings between the IACCC and relevant foreign and Singapore authorities. Parties involved were able to clarify and resolve outstanding matters through these meetings to successfully obtain the necessary evidence via the MLA route. For two of the cases, the evidence obtained by the foreign authorities helped advance their ongoing cases as well as asset recovery efforts. For the third case, the evidence obtained contributed to the eventual conviction of a former politically-exposed person through the identification of assets laundered to Singapore. The process of repatriating these assets is ongoing at the time of publication. Despite not encountering cases of foreign drug-related ML in Singapore so far, the CNB is cognisant of the transnational nature of the illegal narcotics industry and has been an active participant and leader on the international stage, working closely with regional and international counterparts. The CNB proactively checks with its foreign counterparts for further information to conduct investigations

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[15] Acts that may fall into the category of grand corruption include (i) bribery of public officials; (ii) embezzlement; (iii) abuse of function; and (iv) the laundering of the proceeds of the crime.

and renders assistance to them where necessary. The CNB also proactively scans international reports and media for mentions of any illicit drug and drug funds flow into or out of Singapore and conducts follow-up checks with foreign counterparts where relevant.

Key Action (vii) – Leverage digitalisation and technology for more effective investigative tools
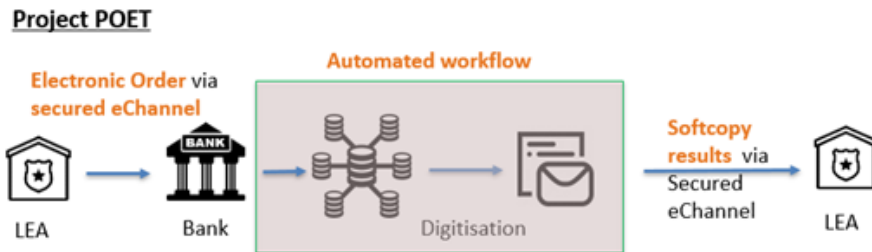

Figure 7: Schematic of Project POET

44.   In 2019, the SPF launched Production Order: Electronic Transmission (Project POET) to automate the transmission of financial information from banks to law enforcement agencies for investigations. Through a phased approach, the SPF, the CNB, and the CPIB, among other law enforcement agencies, are now able to obtain critical banking information in a single working day – compared to the 10-to-90-day timeframe in the past. Under this framework, investigation officers can send electronic production orders via a secure eChannel to the banks upon the exercise of their prescribed investigation powers. Banking information is then retrieved automatically by the banks' systems and transmitted to law enforcement agencies via the secure eChannel (Figure 7). In addition, Project POET has allowed investigators to apply analytical tools directly over the data in electronic form and tailor it to investigative requirements. This has enhanced the investigative capabilities of law enforcement agencies and led to more efficient investigations and faster tracing of illicit assets, including identifying Entities of Interest more efficiently. For its innovation, the SPF was awarded the Public/Private Partnership Award (Public Sector) in the 2021 WITSA Global ICT Excellence Awards. The SPF is continuing to work with the banking sector to enhance the system and onboard more banks to improve the efficiency of obtaining financial transaction data for investigations.

45.   Singapore's LEAs have also been exploring the use of technology, including data analytics, to improve the detection of ML networks. This includes leveraging on private sector capabilities where appropriate. The SPF and the MAS are members of the ACIP Data Analytics Work Group which studies how data analytics and other tools such as machine learning can be harnessed for AML and CFT purposes. The Work Group has published two best practice papers, the more recent one exploring the use of data analytics to combat specific crime types

> In June 2024, the SPF's ASC collaborated with local bank UOB to use UOB's in-house data analytics models and network detection capabilities to identify suspicious transactions and bank accounts. During this joint operation, more than 110 suspicious bank accounts containing a total of over S$400,000 were blocked or seized.

such as the misuse of legal persons and legal arrangements, trade-based ML, and money mules[16]. Linking IT systems can also harness automation to provide a greater range of information to investigators. As part of the STRO's digital transformation, the STRO's IT

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[16] https://abs.org.sg/docs/library/acip-industry-perspectives-on-best-practices---leveraging-on-data-analytics-and-machine-learning-methods-for-amlcft.pdf

system uses pre-agreed dissemination criteria (e.g. matched to ongoing investigations on the SPF's case management system) to automatically disseminate reports received by the STRO to the relevant competent authorities.

46.	The CNB leverages Python scripting to clean, structure, and aggregate large financial datasets, as well as Robotic Process Automation to screen entities of interest from these datasets against internal databases. For complex financial networks, the CNB ingests the processed datasets into an advanced visual analysis software tool designed for investigators to visualise money flows between entities, to uncover relationships and patterns and identify further nodes of interest. Such data enrichment supplements traditional intelligence collection methods and analyses to establish drug networks operating overseas and locally. The CPIB has set up an analytics environment that enables investigators to automate the conversion of digitised bank statements into tabularised data for more effective and efficient data mining and visualisation to detect ML networks with a view to extract and identify potential receivers from bank statements. This enhanced Fund Flow Analysis replaces the typical process of manual tabularisation of bank statements and analysis. The use of such technology is critical to achieve greater effectiveness in complex financial analysis.

FOCUS AREA 4: STRENGTHEN ASSET RECOVERY CAPABLITIES

47.	Asset recovery has been and will continue to be a key focus for LEAs in Singapore. All SPF, CNB, and CPIB investigators are legally empowered to identify, seize or freeze any property reasonably suspected to be drug dealing or criminal proceeds. Asset recovery was identified by SPF as a desired outcome in 2016, and this commitment was further emphasised in June 2024 with the publication of Singapore's inaugural National Asset Recovery Strategy[17] which focuses on four pillars, namely, to:
   (a) **Detect** suspicious and criminal activities by tracing illicit funds;
   (b) **Deprive** criminals of ill-gotten gains;
   (c) **Deliver** maximum recovery of assets for forfeiture and restitution to victims; and
   (d) **Deter** criminals from using Singapore to hide, move, or enjoy illicit assets.

48.	Recognising the risk of high-speed cross-border transactions enabled by financial technology, the SPF established the ASC in June 2019 to strengthen its ability to quickly disrupt money mule operations and mitigate victims' losses. The ASC works closely with banks to swiftly freeze suspicious bank accounts involved in scams and intercept illicit funds. In 2023, the SPF froze more than 19,600 accounts based on more than 39,400 reports and recovered more than S$100.3 million of illicit proceeds. Singapore's LEAs have enhanced the preservation of the value of seized assets through the adoption of the whole-of-government Guidelines on Asset Management and Cryptocurrencies. The agencies also contributed inputs

In the 2023 AML Operation, the 10 accused persons arrested in August 2023 have been convicted and sentenced for ML and other offences, with about S$944 million worth of assets seized or frozen in relation to them ordered by the Court to be forfeited to the State.

to the Anti-Money Laundering and Other Matters Bill, which amended the CPC to allow for the early sale of seized property if its value is likely to depreciate or if there are undue maintenance costs. Further, under these amendments to the CPC, LEAs will be better able to deal with absconded suspects by depriving them of the financial gains of their ML and other criminal activities if they refuse to return to Singapore for investigations.

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[17] https://www.mas.gov.sg/publications/monographs-or-information-paper/2024/national-asset-recovery-strategy

Key Action (viii) – Continue to pursue criminal assets moved into and out of Singapore

49.   Singapore's LEAs are dedicated to continue pursuing criminal assets even if they are moved across borders, notwithstanding technological advancements that have facilitated the movement of illicit funds across jurisdictions with speed and ease. Singapore, represented by the SPF and the AGC, is a member of ARIN-AP, an informal network of law enforcement and legal practitioners and experts set up in 2014 to exchange information at the international level to facilitate the pursuit and recovery of proceeds of unlawful activities. In January 2024, Singapore joined the Steering Group of ARIN-AP, demonstrating its commitment to leverage the network to pursue transnational ML cases. SPF representatives have also participated in various presentations and panel sessions at the first and second iterations of the FATF-INTERPOL Roundtable Engagements. The SPF is also actively contributing as a member of the INTERPOL Silver Notice[18] Expert Working Group on Asset Tracing and Recovery to develop a tool to achieve even better cross-border asset recovery outcomes.

50.   Since 2018, the STRO has been utilising the Egmont Group's business email compromise (BEC) Rapid Response Program to expedite information sharing relating to BEC scams between FIUs, law enforcement and financial institutions, to strengthen asset recovery outcomes. The STRO also co-led the Multi-jurisdictional Anti-Fraud Project with the FIUs of Malaysia and Indonesia. This is a regional initiative under the Financial Intelligence Consultative Group (FICG)[19] which aims to detect, trace and recover funds for the victims of cyber-enabled fraud. A response mechanism was put in place to allow FICG members to share financial intelligence on cross-border transactions quickly, which would allow authorities to take swift action to recover the funds.

51.   During the Singapore FATF Presidency, Singapore, represented by SPF, INTERPOL, and the Egmont Group co-led a FATF RTMG project, *Illicit Financial Flows from Cyber-Enabled Fraud*[20]. The report of this project called for jurisdictions to play their part in combatting cyber-enabled fraud and the laundering of associated illicit funds. The SPF, the CNB, and the CPIB will continue to proactively engage foreign counterparts for asset recovery including utilising INTERPOL's Global Rapid Intervention of Payments (I-GRIP) channel where appropriate. In the CNB, all outgoing MLA requests relating to financial investigations satisfying the pre-determined criteria are accompanied by an outgoing Egmont Request for Assistance. This procedure is intended to better detect hidden assets moved overseas, and the CPIB has recently adopted a similar procedure as well.

Key Action (ix) – Strengthen capabilities in tracing and recovering virtual assets

52.   The FATF defines virtual assets (or crypto assets) as *any digital representation of value that can be digitally traded, transferred, or used for payment*[21]. Earlier this year, blockchain intelligence company Chainalysis reported that cryptocurrency is increasingly being used to launder funds from a broader range of illicit activities including narcotics

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[18] The INTERPOL Silver Notice is a new category of notice being developed that is devoted to the tracing and recovery of criminal assets.
[19] The FICG is a regional body of FIUs from Southeast Asia, New Zealand, and Australia.
[20] https://www.fatf-gafi.org/en/publications/Methodsandtrends/illicit-financial-flows-cyber-enabled-fraud.html
[21] https://fatf-gafi.org/en/topics/virtual-assets.html

trafficking and fraud[22]. In fact, Chainalysis estimated that since 2019, nearly US$100 billion in funds have been sent from wallets associated with illicit actors to cryptocurrency conversion services.

53.   Officers from the SPF, the CNB, and the CPIB are sent for relevant courses to upskill them in this field. CPIB regularly participates in Europol's Virtual Currencies Conference[23] and developed a SOP on detecting and handling virtual assets back in 2017. This was validated in 2023 with the seizure of various cryptocurrencies valued at about S$350,000 in the course of a corruption-related investigation. The SOP has since been revised to adopt the whole-of-government Guidelines on Management of Cryptocurrencies. While the CNB has not encountered such cases, it continues its journey in building up its know-how on the management of virtual assets, including establishing working relationships with major cryptocurrencies companies.

54.   Within the SPF, the Technology Crime Division (TCD) of the Criminal Investigation Department is the staff authority on dealing with virtual assets. The TCD uses both commercial tools and open-source platforms to trace virtual assets. Even when cryptocurrencies are from crypto exchanges located out of jurisdiction, the SPF writes in to these exchanges to request for them to block transactions from taking place on the account. As of 2023, the SPF has seized close to S$300 million worth of cryptocurrencies during investigations. The SPF has promulgated an SOP on Search and Seizure of Cryptocurrency, with training in progress for all SPF investigation officers. The TCD has also established working relationships with major private sector players, and this helps LEAs keep up to date on the latest developments in the virtual assets space. The SPF is represented at the Southeast Asia Cryptocurrency Working Group led by the United States Department of Justice to help ASEAN LEAs enhance operational effectiveness in dealing with cryptocurrency cases. The SPF, the CNB, and the CPIB will continue to leverage these partnerships and platforms to strengthen capabilities in investigations involving virtual assets and establish networks for information sharing. Moving forward, the SPF's TCD will share best practices and experience in dealing with the tracing and seizure of cryptocurrencies with relevant CNB and CPIB investigators, including the latest tools and methods that the TCD uses for crypto tracing.

Key Action (x) – Ensure strict enforcement of the cross-border cash reporting regime

55.   Given Singapore's levels of cross-border travel and trade, with over 192 million travellers and eight million containers, consignments and parcels cleared in 2023, Singapore is committed to ensuring compliance with the cross-border cash reporting regime (CBCRR). Singapore's CBCRR meets the international FATF standards[24] and LEAs are continuously exploring ways to strengthen the legal framework and improve operational outcomes. Since 13 May 2024, all CMRs by travellers are submitted electronically via ICA's website/MyICA mobile application and are automatically provided to the STRO through IT linkages. To broaden the range of options targeting non-compliance, the CDSA was amended in 2018 to allow breaches to be compounded and composition framework has been applied since 2020 in which less serious breaches with no suspicion of ML, TF, or predicate offences can be compounded after preliminary investigations. The CDSA was also amended to allow the court

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[22] https://www.chainalysis.com/blog/money-laundering-cryptocurrency/
[23] Europol's Virtual Currencies Conference is the largest law enforcement cryptocurrency event in Europe and is attended by cryptocurrency experts from both law enforcement and the private sector.
[24] As of Singapore's 2019 FATF Follow-Up Report, Singapore was rated 'Compliant' under Recommendation 32 on cash couriers.

to issue confiscation orders for the cash in respect of the breach. Since then, the SPF has successfully worked with prosecutors to apply for confiscation orders for undeclared cash on top of criminal convictions. In 2024, following an internal review, the composition penalties were increased threefold for greater deterrence.

Figure 8: An SPF investigator tallying unreported cash brought into Singapore

56.   The SPF actively shares data with the ICA to improve the detection of CBCRR breaches at checkpoints. The SPF also works with the ICA and other agencies to conduct interagency operations at checkpoints to detect CBCRR breaches and other illegal cross-border activities. In June 2024, a week-long multiagency operation saw more than 10,000 travellers being identified for checks with more than 18,000 luggage and hand-carry bags scanned. 10 travellers were detected moving cash amounting to between S$24,000 and S$109,000 into Singapore without declaring (Figure 8). The fact that less than 0.1% of the identified travellers were detected with undeclared cash affirms the overall effectiveness of Singapore's CBCRR. Similar multiagency operations were conducted in past years and the SPF will maintain regular enforcement actions, while also continuing the use of various data sources and analytics in partnership with the ICA to improve intelligence-led detections.

<u>CONCLUSION</u>

> "   Singapore has in place a robust anti-money laundering regime. We are held in high regard internationally not just as a financial centre, but for our strong, principled and no-nonsense approach to taking down individuals who break our laws.   "
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> *Ministerial Statement on Singapore's Anti-Money Laundering Regime – Speech by Mrs. Josephine Teo, Minister for Communications and Information & Second Minister for Home Affairs (published 03 October 2023)[25]*

57.   The SPF, the CNB, and the CPIB will continue to improve their capabilities to ensure that they are effective in preventing and detecting ML, in particular, the key ML threats identified in our ML Risk Assessment, and in enforcing Singapore's AML regime. Singapore's LEAs remain vigilant against ML threats and risks and will not relent in their efforts to maintain Singapore's reputation as a trusted financial centre and business hub. The SPF, the CNB, and the CPIB will continue to prioritise the 10 Key Actions to achieve even stronger outcomes in the four Focus Areas.

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[25] http://www.mha.gov.sg/mediaroom/parliamentary/ministerial-statement-on-singapore-anti-money-laundering-regime/