

Regulators: Singapore

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This factsheet describes the key features of financial regulations in Singapore.

The regulators

Singapore's financial system has a regulatory body for banks and financial industry:

Monetary Authority of Singapore (MAS)

[The Monetary Authority of Singapore](#) (MAS) is the country Central Bank, but also the main government's financial supervision arm. The MAS function is therefore twofold:

- To conduct monetary policy and issue currency, and to manage the official foreign reserves and the issuance of government securities
- To supervise the banking, insurance, securities and futures industries, and develop strategies in partnership with the private sector to promote Singapore as an international financial centre

MAS is an independent, non-governmental body that regulates the financial service industry in Singapore. As the integrated supervisor of financial services in Singapore, MAS seeks to promote a sound and progressive financial services sector. Through its supervisory activities, it aims to achieve the following six supervisory objectives or desired outcomes:

- A stable financial system
- Safe and sound financial intermediaries
- Safe and efficient financial infrastructure
- Fair, efficient and transparent organized markets
- Transparent and fair-dealing
- Well-informed and empowered consumers

Prior to 1970, the various monetary functions associated with a central bank were performed by several government departments and agencies. As Singapore progressed, the demands of an increasingly complex banking and monetary environment necessitated streamlining the functions to facilitate the development of a more dynamic and coherent policy on monetary matters. Therefore in 1970, Parliament

passed the Monetary Authority of Singapore Act leading to the formation of MAS on 1 January 1971. The MAS Act gives MAS the authority to regulate all elements of monetary, banking and financial aspects of Singapore. The current Chairman and Senior Minister of MAS is Mr. Goh Chok Tong.

MAS has introduced new provisions in the [banking \(Amendment\) Act 2007](#) to give a broader range of resolution options and a wider role in the resolution process of bank.

Key points to note:

- The MAS has been given powers to act as a banker to and financial agent of the Government. It has also been entrusted to promote monetary stability, and credit and exchange policies conducive to the growth of the economy.
- The MAS administers the various statutes pertaining to money, banking, insurance, securities and the financial sector in general. Following its merger with the Board of Commissioners of Currency on 1 October 2002, the MAS has also assumed the function of currency issuance.
- The Monetary Authority of Singapore (MAS) helps shape Singapore's vibrant financial industry. As Singapore's central bank, MAS promote sustained, non-inflationary economic growth through monetary policy formulation and macroeconomic surveillance of emerging trends and potential vulnerabilities.
- MAS also manage Singapore's exchange rate, foreign reserves and liquidity in the banking sector. MAS is also an integrated supervisor overseeing all financial institutions in Singapore - banks, insurers, capital market intermediaries, financial advisors, and the stock exchange. Being an integrated supervisor allows MAS to apply a consistent and progressive regulatory and supervisory framework, ensuring a level-playing field across all market segments, sectors and activities.
- MAS mandate is to foster a sound and progressive financial services sector in Singapore, by creating and implementing financial policies and ensuring a strong corporate governance framework and accounting

standards. In addition, spearhead retail investor education. Lastly, MAS ensures that financial industry remains vibrant, dynamic and competitive by working closely with other government agencies and financial institutions to develop and promote Singapore as a regional and international financial centre.

- The MAS's website offers advice on regulatory [reporting requirements](#). In brief, authorised institutions by MAS are given a reporting schedule, and unauthorised firms are required to adhere to the guidelines to identify their potential reporting requirements.

Reporting Challenges

Reporting to the MAS requires Authorised Institutions (AI) capture and submits a wide variety, volume and position of data. This information needs to adhere to the published rules, guidelines and consultation papers, issued by MAS. The basis for calculating some regulatory disclosures may differ from the internal management or accounting rules applied by (AI).

Furthermore, regulatory updates can result in an increase in the type of data and reporting, a new set of calculation requirements, or even new behavioural guidelines affecting the monitoring methods.

In addition, regulated AI must present a consistent and accurate view of their business across all reports. This is

challenging as it is common for firms to have systems that are different in each business area. The accounting records will often combine information from all areas of the firm, but the regulators' requirements are typically much wider than the accounting systems, trading systems or even risk systems.

The information requested by the regulator and handled by the FRSGlobal solution covers the following areas

- Financial Statements
- Reporting Institution Exposure
- Loans and deposits
- Liquidity reporting - Minimum Liquid Assets
- Consolidated Banking Statistics
- Singapore Compliance
- Singapore Government Securities transactions
- Income & Expenditure reporting
- Foreign Exchange Turnover

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