

# Financial crime enforcement: Key issues to watch in Singapore in 2026

April 2026



Financial crime continues to be a key regulatory priority in Singapore, with sustained focus on anti-money laundering (AML) enforcement and the ongoing strengthening of the AML framework. Anti-scam measures are also being bolstered, with new legislation aimed at addressing fraud risks. Alongside this, there is increasing emphasis on individual accountability, reflected in the Monetary Authority of Singapore's (MAS) growing willingness to take action against senior managers for organisational failings. Market misconduct remains a further area of focus, with the MAS recently consulting on reforms to improve investors' access to civil compensation for losses.

## Key issues

- 1 Record penalties and heightened accountability:** 2025 marked a turning point for financial crime enforcement in Singapore, with MAS imposing record penalties on financial institutions and payment institutions for AML / counter terrorist financing (CFT) failings linked to the so-called 'S\$3 billion money laundering case'.
- 2 Clearer AML / CTF regulatory expectations:** MAS introduced targeted amendments to AML / CFT Notices and Guidelines, clarifying suspicious transaction reporting timelines, strengthening source-of-wealth and source-of-funds verification and explicitly requiring proliferation financing risk assessments for financial institutions and other in-scope individuals and entities. These changes aim to provide greater regulatory certainty while reflecting Financial Action Task Force standards.
- 3 First Deferred Prosecution Agreement (DPA):** Singapore concluded its first court-sanctioned DPA in connection with offences linked to the Operation Car Wash investigation in Brazil, resulting in the payment of a financial S\$110 million penalty, aligning the country's enforcement approach more closely with the US and UK, and raising potential financial exposure for corporates involved in complex misconduct.

## **What have been the key trends and financial crime enforcement actions in Singapore in the past year?**

Over the past year, Singapore has stepped up enforcement on AML, CFT and financial crime, particularly in the wake of the 1MDB scandal, which saw MAS take action against several private banks. MAS imposed S\$27.45 million in penalties on nine financial institutions and S\$960,000 on five major payment institutions for AML / CFT control failures, including inadequate customer risk assessments, insufficient source-of-wealth checks and poor transaction monitoring (see previous blog post [here](#)).

Regulatory updates included stricter timelines for filing Suspicious Transaction Reports, mandatory proliferation financing risk assessments for financial institutions and so-called Designated Non-Financial Businesses and Professions (such as lawyers, accountants, company service providers and real estate agents) and enhanced requirements for reporting suspicious activities. These measures support MAS's enforcement aims published in its latest [Enforcement Report](#): early detection, effective deterrence and improved market conduct.

In May 2025, the AML/CFT Industry Partnership (ACIP) issued updated best practice guidance for [wealth management](#) and [source-of-wealth due diligence](#), further shaping industry standards. The guidance highlights the heightened risks of tax crimes, corruption and embezzlement facing wealth management providers in Singapore. It calls on financial institutions to apply greater scrutiny to complex ownership structures, strengthen verification processes for remote onboarding and conduct enhanced checks on clients with multiple or 'golden' passports. Banks are also encouraged to tighten oversight of external asset manager relationships and to leverage advanced analytics to proactively detect suspicious activity.

MAS also addressed market misconduct, [consulting](#) on measures to improve investor recourse, including a grant scheme to co-fund meritorious investor actions, and introducing collective redress mechanisms, where a representative may bring legal action on behalf of investors. Although compensation schemes exist under the current regime, they are rarely used. MAS now proposes to streamline these processes and introduce representative actions, making compensation more accessible and straightforward for investors.

## **Which sectors are currently attracting increased regulatory scrutiny for financial crime, and are there any new areas or industries emerging as enforcement priorities?**

In 2025, financial crime enforcement in Singapore expanded noticeably beyond banks and payment firms to encompass professional and commercial sectors associated with illicit finance. Real estate agents and law firms have also faced enforcement action for AML breaches connected with the S\$3 billion money laundering case involving unlicensed money lending in China, scams and remote online gambling operations in the Philippines. This reflects a growing recognition that non-financial businesses and professions are crucial gatekeepers within Singapore's AML regime.

Despite this broader focus, banks and payment service providers remain central to enforcement efforts, subject to increased scrutiny and regulatory expectations. The significant penalties and prohibition orders imposed by MAS in July 2025 in relation to the S\$3 billion case highlight that financial

institutions continue to be the primary line of defence, with heightened requirements for risk assessment, due diligence, transaction monitoring and senior management accountability.

On the anti-scam front, the [Protection From Scams Act](#), which came into force in July 2025, grants police the power to issue Restriction Orders to banks, allowing for the rapid freezing of banking facilities where there is reasonable belief of imminent transfers of funds to scammers. These Restriction Orders can be issued swiftly, even before a crime is fully established, enabling authorities to disrupt scams in real time and prevent losses.

### **Are there any new mandates or priorities that enforcement bodies are focusing on?**

Enforcement authorities in Singapore sharpened their focus across several priorities. AML / CFT supervision of financial institutions remains central, with increased scrutiny of customer risk assessment, source-of-wealth checks, transaction monitoring and timely suspicious transaction reporting. Senior management accountability continues to be reinforced through prohibition orders and public actions aimed at strengthening board-level oversight.

Data-driven and collaborative detection has also been prioritised, most notably through the launch of the MAS [COSMIC platform](#), which enables secure information sharing among major banks to support early intervention in scam and money laundering activity. Since its launch in 2024, participation has expanded to over 120 entities, including financial institutions, crypto exchanges and Financial Intelligence Units, with a focus on risks such as the abuse of legal persons, trade-based money laundering and proliferation financing.

Digital asset-related financial crime remains a particular enforcement concern. In August 2025, MAS [investigated](#) AmazingTech Pte Ltd (ATPL), operator of the Tokenize Xchange platform, following concerns over misstated asset-segregation arrangements, triggering an investigation into suspected fraudulent trading and demonstrating MAS's readiness to pursue criminal referrals in serious cases.

Separately, between October and December 2025, MAS and the Commercial Affairs Department undertook a [series of enforcement actions](#) spanning insider trading, insurance fraud and other market misconduct, including civil penalties, lengthy prohibition orders and the revocation of a capital markets services licence – underscoring MAS's continued commitment to market integrity.

### **What recent trends have you observed in the size and frequency of financial penalties imposed on companies and financial institutions for financial crimes in Singapore?**

Recent enforcement trends in Singapore point to a clear increase in both the scale and frequency of financial penalties, reflecting a more assertive approach to safeguarding investor and market confidence. Between July 2023 and December 2024, [MAS handled](#) 163 review and investigation cases, resulting in hundreds of supervisory actions, 33 criminal convictions, S\$4.4 million in financial penalties and compositions and S\$7.16 million in civil penalties – an upward trajectory driven largely by AML / CFT breaches, market misconduct and unlicensed activity.

Penalty amounts have risen sharply. The S\$27.45 million in penalties imposed by MAS on nine financial institutions and S\$960,000 on five major payment institutions for AML / CFT failures linked to the S\$3 billion money laundering case represent the largest coordinated AML enforcement action to date. Sanctions are increasingly accompanied by prohibition orders and reprimands against senior management, reinforcing individual accountability where control failures are systemic. MAS has indicated that its approach of elevated penalties and robust enforcement will continue, with particular focus on AML/CFT compliance and the digital asset sector.

### **What notable developments or cases demonstrate Singapore's approach to cross-border collaboration in financial crime enforcement?**

Singapore has demonstrated a strong commitment to cross-border collaboration in financial crime enforcement through a number of high-profile cases. The S\$3 billion money laundering case uncovered in August 2023 illustrated the use of international alert mechanisms, including Interpol notices, with authorities [reporting](#) that most suspects agreed to surrender assets following cross-border engagement between enforcement agencies. Earlier coordinated actions, such as the [Petrobras-related case](#) involving Singapore, the US and Brazil, also continue to inform Singapore's enforcement approach.

Operational cooperation has since intensified, particularly in scam-related money laundering and asset recovery. In 2024–25, real-time coordination between the Commercial Affairs Department and overseas authorities enabled rapid account freezes and the recovery of more than US\$40 million in a [business email compromise case](#). Ongoing institution-to-institution intelligence sharing – especially on mule accounts and digital asset misuse – now plays a central role in supporting parallel investigations across jurisdictions.

### **What measures are being implemented to mitigate the risks of financial crime linked to environmental, social, and governance (ESG) factors?**

Singaporean regulators are increasingly addressing ESG-related financial crime risks through existing supervisory, enforcement and coordination frameworks, rather than through a standalone 'ESG crime' regime. A key focus is greenwashing and misleading sustainability claims, which are treated as market misconduct under existing laws, including the Securities and Futures Act, consumer protection legislation and SGX listing rules. In 2025, the Competition and Consumer Commission of Singapore [issued detailed guidance](#) emphasising substantiation, accuracy and transparency in ESG claims, with financial institutions facing closer scrutiny of ESG-linked disclosures and products.

From an AML / CFT perspective, MAS has highlighted ESG-linked predicate risks – particularly environmental crimes such as illegal mining, logging, waste trafficking and sanctions breaches – through its [Environmental Crimes Money Laundering National Risk Assessment](#). Legislative amendments to the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 have further strengthened enforcement by treating serious foreign environmental crimes as predicate offences for money laundering. This enables law enforcement to act on funds in

Singapore linked to such crimes committed overseas. Growing use of whistleblowing mechanisms, including ESG-related complaints lodged with the Singapore Exchange, further underscores the increasing regulatory and market scrutiny in this area.

### **What measures are being implemented to mitigate the risks of financial crime linked to cybercrime?**

Cybercrime is a significant and evolving threat for companies and financial institutions in Singapore, with increasing convergence between cyber intrusions, fraud, and money laundering. In September 2025, the Cyber Security Agency of Singapore [reported](#) a 49% rise in phishing incidents in 2024, driven by AI-generated content and more sophisticated impersonation tactics, particularly targeting the banking sector. Ransomware cases also increased by 21%, with attackers using double-extortion methods and exploiting unpatched systems, highlighting persistent cyber hygiene gaps.

Although scam and cybercrime cases [declined in early 2025](#) due to stronger interventions, overall losses remain high, with scams becoming more targeted and financially damaging. Common methods include phishing, investment scams, and impersonation. Singapore was also among [the most targeted](#) jurisdictions globally for Distributed Denial-of-Service (DDoS) attacks as of late 2024, particularly in the financial services and telecommunications sectors. These attacks are sometimes used to mask concurrent fraud or intrusions. The Protection from Scams Act has been introduced in part to address these challenges, empowering the Singapore Police Force to issue restriction orders to banks, temporarily limiting the banking and credit facilities of individuals suspected of being involved in or targeted by scams.



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