



INTEGRUM

Regulatory Update

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EXPANDED SCOPE OF THE PAYMENT SERVICES ACT 2019

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INTRODUCTION

The Monetary Authority of Singapore (“**MAS**”) unveiled revisions to the Payment Services Act (“**PS Act**”) and its accompanying regulations, aimed at broadening the range of payment services overseen by MAS. The implementation of these amendments will be phased in, commencing on April 4, 2024 (“**appointed day**”).

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REGULATED ACTIVITIES UNDER EXPANDED SCOPE

Below we present a summary chart of the expanded scope of regulated activities under the PS Act. This is accompanied by the Payment Services (Amendment) Act 2021 (Saving and Transitional Provisions) Regulations 2024 (“**Transitional Regulations 2024**”).

Previously Unregulated Payment Service	Description
Previously unregulated domestic money transfer service	<p>The service of accepting money for the purpose of executing or arranging for the execution of, any of the payment transactions, each of which is between a payer in Singapore and a payee in Singapore, in any case where either the payer or the payee is a financial institution:</p> <ol style="list-style-type: none"> 1. a payment transaction executed from, by way of or through a payment account; 2. a direct debit (including a one-off direct debit) through a payment account; 3. a credit transfer (including a standing order) through a payment account; 4. accepting any money from any person for transfer to the payment account of a different person.
Previously unregulated cross-border money transfer service	Any service of arranging for the transmission of money from any country or territory to another country or territory, whether as principal or agent.
Previously unregulated DPT service	<p>Any service of:</p> <ol style="list-style-type: none"> 1. accepting (whether as principal or agent) DPTs from one DPT account (whether in Singapore or elsewhere), for the purposes of transmitting, or arranging for the transmission of, the DPTs to another DPT account (whether in Singapore or elsewhere); 2. arranging (whether as principal or agent) for the transmission of DPTs from one DPT account (whether in Singapore or elsewhere) to another DPT account (whether in Singapore or elsewhere); 3. inducing or attempting to induce any person to enter into or to offer to enter into any agreement for or with a view to buying or selling any DPT in exchange for any money or any other DPT (whether of the same or a different type); 4. safeguarding a DPT or DPT instrument, where the service provider has control over the DPT or one or more DPTs associated with the DPT instrument; or 5. carrying out for a customer an instruction relating to a DPT or one or more DPTs associated with a DPT instrument, where the service provider has control over the DPT or the DPT instrument.

REPORTING REQUIREMENTS

MAS notes the challenges to meet the stipulated requirements in relation to the broadened scope of regulated activities. As such, the MAS stipulated transitional period that is staggered, up to nine months from the appointed date, with the following submission timeline:

1. **Notification** - Entities should review the extended range of regulated activities to determine whether they fall under the regulatory purview of the PS Act. Entities engaging in newly regulated activities are required to inform MAS via [Notification Form by May 4, 2024](#) (one month from the appointed day), should they intend to sustain their operations under temporary exemption provisions as stipulated in the Transitional Regulations 2024. In reviewing the extended activities, we suggest that service provider take the broad view of the regulatory purview.
2. **Licence Application** - Entities should submit the relevant license under the PS Act **by October 4, 2024** (six months from the appointed day). Entities presently unlicensed under the PS Act for any payment service encompassed by the extended scope of regulated activities are required to submit application via [Form 1](#). Current license holders are required to submit application via [Form 2](#).
3. **Attestation Report** - The licence application must be accompanied by an [attestation report](#) of the entity's business activities and compliance with anti-money laundering and countering the financing of terrorism requirements and user protection requirements, duly completed by a qualified external auditor, **before January 4, 2025** (9 months from the appointed day).

Contacts

Mark Jacobsen
 Founder
 Integrium

E mark@integrium-sg.com

Dewansh Raheja
 Manager
 Integrium

E dewansh.raheja@integrium-sg.com

Integrium Pte. Ltd.
 63 Chulia Street
 #15-01
 Singapore 049514
www.integrium-sg.com