

# REGULATORY AND OTHER DEVELOPMENTS IN SINGAPORE ON CRYPTOCURRENCY AND BITCOIN EXCHANGES

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In our earlier [CNPupdate article](#) published on 9 May 2018, we discussed the regulatory approach to cryptocurrency and bitcoin exchanges in Singapore. In this article, we look at the regulatory developments following the commencement of the Payment Services Act 2019 (“PS Act”) on 28 January 2020.

Along with the PS Act, the following key regulations relating to the new payment services framework have also come into effect on 28 January 2020:-

- [Payment Services Regulations 2019](#);
- [Payment Services Composition of Offences Regulations 2019](#);
- [Payment Services \(Exemption for Specified Period\) Regulations 2019](#);
- [Payment Services \(Saving and Transitional Provisions\) Regulations 2019](#);
- [Payment Services \(Singapore Dollar Cheque Clearing System and Inter-bank GIRO System\) Regulations 2019](#);

Entities who operate or intend to operate Cryptocurrency and Bitcoin Exchanges in Singapore (collectively, “**Exchange Operators**”) may be required to comply with the licensing requirements for providing a “*digital payment token service*” and operating a “*digital payment token exchange*” under the PS Act.

The Monetary Authority of Singapore (the “**MAS**”) formed a new Payments Department in February 2020 to supervise the payment services industry in Singapore the (“**PD**”). The PD is responsible for supervising the regulation of the payments industry in Singapore. The PD formulates policies on the regulation of payment services, and supervises payment services providers (e.g. cross-border money

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transfer service providers, digital payment token service providers and money-changers) as well as payment systems (e.g. GIRO, FAST, NETS Electronic Funds Transfer at Point-of-Sale). PD also supervises non-bank credit and charge card issuers regulated under the Banking Act, and credit bureaus regulated under the Credit Bureau Act.

Over recent months, there have also been some notable developments in the cryptocurrency landscape in Singapore. iSTOX, a digitised securities trading platform, graduated from the MAS' Fintech Regulatory Sandbox on 1 February 2020 . Intercontinental Exchange, an approved exchange regulated by the MAS, launched the Bakkt bitcoin cash-settled monthly futures contract in Singapore on 9 December 2019 . Xfers, a provider of e-money issuance service, announced on 7 November 2019 that it plans to issue the XSGD token (powered by Zilliqa), a Singapore-dollar backed and pegged "*stablecoin*" under the project name StraitsX .

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