RAJAH & TANN ASIA

NewsBytes: Singapore

2024 JULY

RAJAH & TANN ASIA
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Rajah & Tann Singapore the Only Law Firm Conferred Champion of Good 2024 by National Volunteer & Philanthropy Centre

Rajah & Tann Singapore has been recognised as a "Champion of Good 2024" by the National Volunteer & Philanthropy Centre ("**NVPC**") – the highest recognition under the new Company of Good Recognition System. The other three categories are "Company of Good 1 Heart", "Company of Good 2 Hearts" and "Company of Good 3 Hearts".

The firm stands among 78 organisations and is the only law firm conferred the highest recognition of "Champion of Good" in the 2024 Cohort. These exemplary organisations demonstrated progressive commitment to Corporate Purpose and made holistic contributions, including influencing stakeholders for multiplied impact, across the People, Society, Governance, Environment and Economic dimensions at a national level.

To qualify as a Champion of Good, organisations undergo a rigorous evaluation by an inter-agency judging panel on their corporate purpose, policies and practices, quantitative indicators and target setting for each impact and level of engagement with external stakeholders. The judging panel is led by NVPC and the Singapore Business Federation, and consists of representatives from the National Council of Social Service, Singapore Institute of Directors, Singapore National Employers Federation and UN Global Compact Network Singapore.

Click here to read our Press Release.

Rajah & Tann Strengthens China Practice with New Office in Shenzhen

Rajah & Tann Singapore ("**R&T**") has received approval from China's State Council for its second office in the country, to be based in the southern economic and tech hub of Shenzhen.

R&T's Shenzhen office will be led by Hew Kian Heong, who has more than 30 years of international experience, particularly in representing major Chinese and international firms in arbitration, litigation and mediation. Kian Heong is recognised as a leading lawyer in international construction and infrastructure disputes.

Kian Heong and Linda Qiao, who heads the Shanghai office, will co-lead R&T's practice in China, which was established 21 years ago.

The new office will be officially launched in the fourth quarter of the year and will work closely with lawyers across the Rajah & Tann Asia network, including those in the Singapore-based Greater China practice. They include construction and projects partner Loh Yong Hui and dispute resolution partner David Isidore Tan. Yong Hui will also serve as the Chief Representative of the Shenzhen Representative Office.

The expansion comes at a time of rapid integration of cities in China's Greater Bay Area, boosted by the recent opening of the mega Shenzhen-Zhongshan bridge and the surge in Chinese investments in Southeast Asia. These developments are expected to fuel economic growth and drive demand for cross-border legal services in the Pearl River delta in the coming years.

The newly-licensed office will be located in Qianhai, a dynamic and modern business district in Shenzhen that has emerged as China's financial and technological hub. It offers a prime location just an hour's drive from Hong Kong.

Lured by favourable tax policies, excellent infrastructure, IP and trademark protection, among others, banks, IT and logistic companies and professional services firms have been setting up offices in Qianhai in recent years.

Click here to read our Press Release.

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Capital Markets

SGX RegCo Sets Out Potential Scenarios Where General Offers Lead to Loss of Public Float

On 15 July 2024, the Singapore Exchange Regulation ("**SGX RegCo**") issued a Regulator's Column titled "Potential scenarios when general offers lead to loss of public float" ("**Column**").

Under the SGX Listing Rules ("**Listing Rules**"), SGX RegCo may agree to an application by an issuer to delist if:

(a) the issuer convenes a general meeting to obtain shareholders' approval for the delisting, and the resolution has been approved by at least 75% of the total number of issued shares held by independent shareholders (excluding shares held by the offeror and parties acting in concert with it) ("**75% Independent Approval Requirement**"); and

(b) an independent financial adviser ("**IFA**") has opined that the exit offer (which must include a cash alternative as the default alternative) offered to shareholders is fair and reasonable ("**Fair and Reasonable Requirement**"),

(collectively, "**Voluntary Delisting Requirements**").

The Column clarified that where an offeror has made a general offer ("**General Offer**") under the Singapore Code on Take-overs and Mergers ("**Take-over Code**") with an intention to privatise an issuer, unless the offeror is exercising its right of compulsory acquisition, SGX RegCo will require both the Voluntary Delisting Requirements to be adhered to in principle before it will allow the issuer to be delisted. In particular, SGX RegCo will consider the 75% Independent Approval Requirement to be satisfied where, as at the close of the General Offer, the offeror has received acceptances from independent shareholders that represent at least 75% of the total number of issued shares held by independent shareholders, and the Fair and Reasonable Requirement

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to be satisfied if the IFA has opined that the General Offer is fair and reasonable.

Under the Listing Rules, issuers must ensure that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public ("**Public Float**").

Should an issuer lose its Public Float pursuant to the General Offer, SGX RegCo may suspend the trading of the issuer's securities as at close of the General Offer. Thereafter, the scenarios that may occur will differ depending on whether the Voluntary Delisting Requirements have been met, as follows:

<table>
<tr><th colspan="3">Both the 75% Independent Approval Requirement and the Fair and Reasonable Requirement are met</th></tr>
<tr><td colspan="3">Issuer permitted to delist</td></tr>
<tr><th colspan="3">Where the 75% Independent Approval Requirement is met, but the Fair and Reasonable Requirement is not met</th></tr>
<tr><td>Offeror may make another General Offer that meets the Fair and Reasonable Requirement.

However, under the Take-over Code, if the offeror and its concert parties together hold more than 50% of the voting rights in the issuer (except with the consent of the Securities Industry Council), within six months from the closure of any previous offer, neither the offeror nor any person acting in concert with the offeror may make a second offer on terms better than those available under the previous General Offer ("Second Offer Restriction")).</td><td>Issuer or controlling shareholder to restore its Public Float through private placement or otherwise (within three months or such longer period as SGX-ST may agree)</td><td>Explore other privatisation mechanisms (such as an exit offer that complies with the Listing Rules)</td></tr>
<tr><th colspan="3">The 75% Independent Approval Requirement is not met, but the Fair and Reasonable Requirement is met</th></tr>
<tr><td>Issuer to meet the 75% Independent Approval Requirement</td><td>Issuer or controlling shareholder to restore its Public Float through private placement or otherwise (within three months or such longer</td><td>Explore other privatisation mechanisms (such as an exit offer that complies with the Listing Rules)</td></tr>
</table>

	period as SGX-ST may agree)	
Both the 75% Independent Approval Requirement and the Fair and Reasonable Requirement are not met		
Offeror may make another General Offer that meets both the Voluntary Delisting Requirements (however, note the Second Offer Restriction)	Issuer or controlling shareholder to restore its Public Float through private placement or otherwise (within three months or such longer period as SGX-ST may agree)	Explore other privatisation mechanisms (such as an exit offer that complies with the Listing Rules)

Issuers should note that SGX RegCo will not permit trading in an issuer's securities to be suspended for a prolonged period. Should the issuer (and the controlling shareholder, where applicable) fail to comply with the requirements in the Listing Rules, including the requirement to restore the Public Float, SGX RegCo may utilise its enforcement powers under the Listing Rules.

Construction & Projects

Passing of Land Surveyors (Amendment) Bill 2024 to Enable Singapore-Registered Surveyors to Practice in ASEAN Jurisdictions

On 6 August 2024, the Land Surveyors (Amendment) Bill 2024 ("**Bill**") was passed in Parliament. The Bill will facilitate the implementation of the ASEAN Framework Arrangement for the Mutual Recognition of Surveying Qualifications ("**ASEAN MRA**"), as well as future Mutual Recognition Arrangements ("**MRAs**") on land surveyors that Singapore may enter into. The Bill defines MRAs as bilateral or multilateral arrangements for the mutual recognition of land surveyors who are registered in their respective countries or territories and the survey work that may be performed by these land surveyors in each such country or territory that is party to the MRA.

Specifically, the Bill will:

(a) require the Land Surveyors Board ("**LSB**") to maintain an annual register for foreign surveyors, as well as set out the process for registration;
(b) set out the permitted scope of work for foreign land surveyors;
(c) introduce the title of "RS" for local registered surveyors;
(d) allow local registered surveyors to apply to be recognised by LSB, such that they can carry out survey work outside of Singapore in accordance with the relevant MRA; and
(e) increase fines and penalties to deter illegal practice and improper conduct in land surveying.

Benefits of MRAs

The present amendments for land surveyors follow 2017 statutory amendments to the legislations governing architects and professional engineers.

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MRAs aims to facilitate the mobility of surveying professionals in ASEAN and promote the adoption of best practices on standards and qualifications in the field. The proposed amendments will not only facilitate local registered surveyors to practise abroad in participating jurisdictions, but also allow Singapore to benefit from the expertise and experience with specialised equipment that foreign land surveyors may have.

In particular, the ASEAN MRA will pave the way for the introduction of the ASEAN Registered Surveyor Scheme ("**ARS Scheme**"). While details are still under discussion, the ARS Scheme will:

(a) enable eligible Singapore-registered land surveyors to apply to be recognised as ASEAN Registered Surveyors;
(b) allow ASEAN Registered Surveyors to collaborate on land surveying projects in other ASEAN member states without having to go through the full qualification process in such states; and
(c) enable eligible overseas-based land surveyors registered under the ARS Scheme and with LSB to collaborate with a local registered surveyor on surveying projects in Singapore, and to include their names and credentials on non-cadastral survey plans/documents.

Safeguards for MRAs

The Bill and the ARS Scheme have built in safeguards to avoid any negative impact on the quality of land surveying services and competition from foreign registered surveyors. These include:

(a) imposing binding minimum requirements in terms of qualifications and work experience to be recognised as ASEAN Registered Surveyors;
(b) prohibiting foreign ASEAN Registered Surveyors from providing land surveying services in Singapore independent from a local partner; and
(c) empowering LSB to impose additional conditions on foreign land surveyors as part of their registration as registered foreign surveyors. One such intended condition is that registered foreign surveyors under the ARS Scheme may only take on one project at any one point in time.

Click on the following links for more information:

- Second Reading Speech by Minister of State, Ministry of Law & Ministry of Transport Murali Pillai on Land Surveyors (Amendment) Bill 2024 (available on the Ministry of Law ("**MinLaw**") website at www.mlaw.gov.sg)
- MinLaw Press Release titled "Introduction of the ASEAN Registered Surveyor Scheme in Singapore" (available on the MinLaw website at www.mlaw.gov.sg)
- Full text of the Bill (available on the Singapore Parliament website at www.parliament.gov.sg)

Corporate Commercial

ACRA Enhances Corporate Compliance Regime to Combat Money Laundering

As Singapore's corporate regulator, the Accounting and Corporate Regulatory Authority ("**ACRA**") regularly updates and enhances legislation under its administration. This has become particularly important in light of the rising threat of money laundering, which has necessitated greater vigilance and corporate compliance.

As part of its regular review, and to strengthen Singapore's anti-money laundering regime, ACRA proposed a number of legislative amendments to the corporate compliance regime, which were subsequently introduced in Parliament, and have now been passed on 2 July 2024:

(a) **Corporate Service Providers Act**, which aims to enhance the regulatory regime for the Corporate Service Provider sector;

(b) **Companies and Limited Liability Partnerships (Miscellaneous Amendments) Act**, which aims to enhance the transparency of beneficial ownership of companies and limited liability partnerships; and

(c) **ACRA (Registry and Regulatory Enhancements) Act**, which aims to bolster data protection, facilitate digital communications between the Government and businesses, and enhance the regulatory framework for entities under ACRA's purview

(collectively, "**Acts**").

Among other changes, the Acts introduce new obligations and restrictions on corporate entities in relation to maintenance of registers, nominee directors and shareholders, and personal data filed with ACRA. The Acts will come into operation on such date as notified in the Gazette. In the meantime, ACRA has provided further indication of the implementation timeline for the amendments in the Acts. Parties should thus be aware of the amendments and what steps need to be taken to ensure compliance with the updated measures.

For more information, click here to read our Legal Update.

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Dispute Resolution

MinLaw Consults on Framework for Remote Witnessing and Electronic Signing of Statutory Declarations

On 2 August 2023, Parliament passed the Oaths, Declarations and Notarisations (Remote Methods) Act 2023 to, among other things, provide individuals, businesses, and service providers who are executing statutory declarations, with the option of remote witnessing (in place of an in-person meeting) and electronic signing (in place of wet-ink signing) as long as both the declarant and service provider are physically present in Singapore.

On 5 July 2024, the Ministry of Law ("**MinLaw**") launched the Public Consultation on Remote Witnessing and Electronic Signing of Statutory Declarations on the specific requirements that should govern the remote

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witness and electronic signing process for statutory declarations. The key aspects are as follows:

(a) **Additional requirements for remote witnessing**. The service provider must be satisfied that the document which he or she later signs is the same document that he or she had earlier witnessed the declarant signing. The statutory declaration must also include statements: (i) that the service provider and declarant were both physically present in Singapore at the time the statutory declaration was sworn and signed; (ii) that the service provider and declarant communicated through a live video or television link; and (iii) identify the electronic platform used.

(b) **Hybrid approach to electronic signatures**. Under the proposed hybrid approach: (i) declarants may sign with any electronic signature (ordinary or secure) but will be encouraged to use Sign with Singpass; and (ii) the service provider administering the statutory declaration must use Sign with Singpass.

The consultation ran from 5 July 2024 to 2 August 2024. The finalised requirements will be set out in subsidiary legislation. The Singapore Academy of Law will also issue professional guidelines after consulting Commissioners for Oaths.

Financial Institutions

MAS Consults on Proposed Changes to MAS Notices and Guidelines to Implement Enhanced Transaction Safeguards for Vulnerable Retail Clients

On 31 July 2024, the Monetary Authority of Singapore ("**MAS**") published the "Consultation Paper on Proposed Legislative Amendments to the Requirements for Enhancing Pre and Post-Transaction Safeguards for Retail Clients" ("**Consultation Paper**"). The Consultation Paper seeks comments on proposed amendments to two MAS Notices and one set of Guidelines to effect changes proposed in the earlier MAS Consultation Paper on Enhancing Pre- and Post-Transaction Safeguards for Retail Clients issued on 22 June 2021 ("**2021 Consultation**"). MAS issued its response to feedback on the 2021 Consultation here.

The 2021 Consultation proposed measures to raise industry standards and promote greater consumer trust in the financial advisory ("**FA**") industry in Singapore. This consisted of enhanced regulatory safeguards to be imposed on FA firms to protect the interests of retail clients, particularly selected clients ("**SCs**"). SCs are clients who meet any two of the following criteria:

(a) are 62 years of age or older;
(b) are not proficient in spoken or written English; and/or
(c) have below GCE "O" or "N" level certifications (or the equivalent).

The current Consultation Paper seeks comments on the proposed revisions to the MAS Notices and Guidelines set out below. There will be a transitional period of nine months from the effective date of the amended MAS Notices and Guidelines.

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(a) **MAS Notice on Recommendations on Investment Products ("FAA-N16")**
- Shifting the requirements on pre-transaction checks (i.e. documentation reviews and call-backs) by FA firms to FAA-N16 from the MAS Guidelines on the Remuneration Framework for Representatives and Supervisors ("**Balanced Scorecard Framework**"), Reference Checks and Pre-transaction Checks;
- New requirements for representatives to (i) check for and document a client's SC status; and (ii) make a formal declaration that the assessment of the client's SC status has been duly performed;
- Requiring a Trusted Individual ("**TI**") to be present when investment recommendations are made to SCs. The amendment will also set out the criteria to qualify as a TI;
- Mandating the types of information that should be covered during a client call-back; and
- Requiring FA firms to audio record pre-transaction call-backs to SCs and clients of Selected Representatives ("**recording requirement**").

(b) **MAS Notice on Requirements for the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework") and Independent Sales Audit Unit ("FAA-N20")**
- Updating the scope of post-transaction checks performed by the Independent Sales Audit unit. This will include a review of the recordings made pursuant to the proposed recording requirement under FAA-N16.

(c) **MAS Guidelines on the Remuneration Framework for Representatives and Supervisors ("Balanced Scorecard Framework"), Reference Checks and Pre-transaction Checks ("FAA-G14")**
- Removing the existing guidance on pre-transaction checks as these have been moved to FAA-N16; and
- Updating the guidance on documentation reviews, which are performed as part of the post-transaction checks.

Click on the following link for more information:

- Consultation Paper on Proposed Legislative Amendments to the Requirements for Enhancing Pre and Post-Transaction Safeguards for Retail Clients – issued on 31 July 2024 (available on the MAS website at www.mas.gov.sg)

MAS Revises Guidelines on Licensing for Payment Service Providers – New Licence Application Requirements

The Guidelines on Licensing for Payment Service Providers (PG-G01) ("**Guidelines**") issued by the Monetary Authority of Singapore ("**MAS**") were revised recently to include new requirements for licence applications under the Payment Services Act 2019 ("**PS Act**"), including:

(a) for all licence applications, a legal opinion assessing how the regulated payment services are applicable to each proposed service or product covered by the applicant's business model; and

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(b) for licence applications for digital payment token ("**DPT**") services, an external auditor's independent assessment of the applicant's policies, procedures and controls in the areas of anti-money laundering/countering the financing of terrorism ("**AML/CFT**") and consumer protection.

MAS also expressly set out various rules of engagement which applicants should take note of and throughout the application process. These may be found in Appendix 5 of the Guidelines.

In addition, the Guidelines prescribe the specimen form for the external auditor's attestation which must be submitted by entities conducting the activities set out below. These activities were regulated under the PS Act with effect from 4 April 2024. Entities that have notified MAS that they are carrying these activities pursuant to the transitional arrangements provided under the PS Act must submit the external auditor's attestation before 4 January 2025. In the attestation, an external auditor is required to sign off on the applicant's business activities and compliance with AML/CFT and user protection requirements.

(a) Virtual asset service providers (VASPs) who are conducting the following services:
- Provision of custodian wallet services for DPTs;
- Transmission of DPTs (including arranging for the transmission of DPTs); or
- Active facilitation of the buying or selling of DPTs without possession of monies or DPTs.

(b) Service providers that facilitate cross-border money transfers between entities in different countries even if monies are not accepted or received in Singapore.

For more information, click here to read our Legal Update summarising the new licensing application requirements relating to the legal opinion, external auditor's independent assessment and external auditor's attestation.

MAS Circular Provides Further Guidance for FIs in Wealth Management Sector on Establishing Sources of Wealth of Customers

On 26 July 2024, the Monetary Authority of Singapore ("**MAS**") issued the Circular titled "Establishing the Sources of Wealth of Customers" (Circular No.: AMLD 08/2024) ("**Circular**").

The Circular is addressed to all financial institutions and is intended to provide guidance to financial institutions in the wealth management sector in Singapore ("**FIs**"), on the requirements to establish the sources of wealth ("**SOW**") of customers and their beneficial owners before business relations with customers can be established.

In summary, the Circular emphasised the existing requirements for FIs to take appropriate and reasonable means to establish the SOW of their customers and independently corroborate information obtained from the customers against documentary evidence or public information sources.

The Circular provides that FIs should take the following steps:

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(a) Ensure that their policies and procedures to establish the SOW of customers are risk-proportionate and reasonable, taking into account the unique circumstances and profile of each customer.

(b) Consider the following risk principles when designing their policies and procedures to establish the SOW of customers:
- *Materiality* – FIs should obtain information on a customer's entire body of wealth to the extent practicable, with the primary outcome being to determine the SOW that are more material or of higher risk.
- *Prudence* – For material SOW, FIs should attempt to use more reliable corroborative information, such as audited accounts or documents issued by independent third parties (e.g. tax accountants).
- *Relevance* – FIs should seek to obtain pertinent, fit-for-purpose corroborative evidence to the extent practicable.

(c) Ensure that their senior management exercise close oversight over higher risk accounts and ensure that ongoing monitoring controls take into account the customer's risk profile.

For more information, click here to read our Legal Update.

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Singapore to Move Towards Live Implementation of Instant Payment Systems Connections Globally

On 1 July 2024, the Bank for International Settlements ("**BIS**") and partners announced the completion of phase 3 of Project Nexus, which will allow ready participants to work towards the next stage of seamlessly connecting their instant payment systems ("**IPS**").

How Nexus Works

By way of background, Nexus is a BIS Innovation Hub project that seeks to enhance cross-border payments by standardising the way domestic IPS connect to one another. Instead of building custom connections for every new country to which it connects, an IPS operator need only make one connection to Nexus. This single connection would allow the IPS to reach all other countries in the network.

Central banks, standard-setting bodies, IPS operators and commercial entities around the world have been consulted to validate that Nexus is scalable and interoperable beyond the current participants.

For more information on phase three of Nexus, please refer to the report titled "Project Nexus: Enabling instant cross-border payments", also published on 1 July 2024. Central banks may also request for a detailed scheme rulebook and technical implementation guides, as well as ISO 20022 message specifications.

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Live Implementation

In Phase 4, BIS will facilitate central banks and IPS operators of India, Malaysia, the Philippines, Singapore and Thailand as they work towards live implementation in the next phase, with the Bank of Indonesia as a special observer.

This first wave of connected countries has the potential to connect a global market of 1.7 billion people, driving financial inclusion and spurring economic integration between countries.

To facilitate live implementation, the partner central banks and IPS operators have agreed to work towards establishing a new entity, the Nexus Scheme Organisation ("**NSO**"). NSO will be responsible for managing the Nexus scheme and continuing the mission to achieve instant cross-border payments at scale. It will be wholly owned by the central banks and/or IPS in participating countries. BIS will continue to play a technical advisory role, facilitate the entry of new participants, and foster cooperation among members.

Click on the following link for more information:

- Monetary Authority of Singapore ("**MAS**") Media Release titled "Project Nexus completes comprehensive blueprint for connecting domestic instant payment systems globally and prepares for work towards live implementation" (available on the MAS website at www.mas.gov.sg)

Insurance & Reinsurance

MAS to Refine Tier Structure Requirements and Impose New Remuneration Restrictions for Financial Advisers

On 12 July 2021, the Monetary Authority of Singapore ("**MAS**") issued the Consultation Paper titled "Proposals to refine the tier structure requirements and to introduce new requirements relating to remuneration" ("**Consultation Paper**") to seek feedback on proposals to refine the tier structure requirements and introduce new remuneration requirements for the financial advisory ("**FA**") industry.

On 26 July 2024, MAS issued its "Response to Feedback on Proposals to Refine the Tier Structure Requirements and to Introduce New Requirements Relating to Remuneration" ("**Response**"), covering two main topics: (i) tier structure requirements; and (ii) prohibitions on direct payment of remuneration to representatives and supervisors of other FA firms, and acceptance of the same by the representatives and supervisors.

Tier Structure Requirements

(a) MAS will proceed with the proposals to limit the tier structure in FA firms to three tiers. FA firms that operate tier structures for the provision of any FA service and/or the sale of any investment product are required to ensure that the structure has a maximum of three tiers: manager (Third Tier), supervisor (Second Tier) and representative (First Tier) ("**tier structure requirements**"). Under the tier structure requirements, FA firms will be limited to paying overriding benefits to a maximum of two supervisors for each First Tier representative, and supervisors will

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only be allowed to accept overriding benefits from the FA firm in which he is a supervisor.

(b) MAS will exclude certain types of remuneration practices from the tier structure requirements, including breakaway payments, business allowances, vested commissions and joint sales, subject to proper governance frameworks and relevant conditions.

(c) MAS will consolidate the tier structure requirements under the Financial Advisers Act 2001 and extend them to all FA firms for consistency across the FA industry, save for exempt FA firms who serve only accredited, institutional and/or expert investors.

Prohibitions on Direct Payment of Remuneration to Representatives and Supervisors of Other FA Firms, and Acceptance of Such Remuneration by the Representatives and Supervisors

(a) MAS will proceed to implement proposals to prohibit: (i) persons such as direct life insurers from determining, communicating and paying volume-based incentives ("**VBI**") directly to representatives and supervisors of the principal FA firms; and (ii) representatives and supervisors from receiving VBI for the sale of life business products directly from any person who is not their principal FA firm.

(b) MAS will prohibit representatives from receiving VBI for the sale of investment products directly from product manufacturers (such as banks and fund managers) who are not their principal FA firm.

Implementation Timeline

MAS will provide a transitional period for changes to be made to comply with the proposed tier structure requirements and remuneration prohibitions, and seek feedback on its length in the subsequent consultation on legislative amendments. In the interim before the legislative amendments take effect, MAS strongly encourages FA firms to implement the tier structure requirements and adjust their remuneration frameworks and practices to be consistent with the finalised requirements.

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Shipping & International Trade

Updates on Implementation of Revised Free Trade Zones Regime Relating to Submission of Bill of Lading Data for Sea Cargo

On 1 March 2024, the revised Free Trade Zones ("**FTZ**") regime took effect. Singapore Customs has now issued Circular No: 03/2024: Updates on the Implementation of the Revised Free Trade Zones (FTZ) Regime ("**Circular**") which provides updates and more information on the submission requirements of Bill of Lading ("**BL**") data for both containerised and non-containerised sea cargo, and clarifications to frequently asked questions ("**FAQs**") pertaining to the submission of BL data.

The Circular is to be read in conjunction with Circular No. 02/2024: Implementation of the Revised Free Trade Zones (FTZ) Regime from 1 March 2024.

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Summary of Adjustment Period

The adjustment periods for submission of BL data by shipping agents to two specified FTZ cargo handlers, namely Jurong Port Pte Ltd and PSA Corporation Ltd, are:

Specified FTZ Cargo Handler	Adjustment Period
Jurong Port Pte Ltd	• 31 August 2024 for Non-Containerised cargo • 31 March 2025 for Containerised cargo
PSA Corporation Ltd	• 31 August 2024 for Containerised cargo • 31 March 2025 for Non-Containerised cargo

BL Data to be Submitted for Containerised and Non-Containerised Cargo

The Circular includes a table summarising the information to be provided by shipping agents from the BLs for both non-containerised and containerised cargo.

Prescribed shipping agents submitting the specified BL data may reach out respectively to Jurong Port Pte Ltd or PSA Corporation Ltd on the various means to submit the required data to ensure compliance with the requirements under the revised FTZ regime.

Clarifications to FAQs Pertaining to Submission of BL Data

Annex A of the Circular includes a set of FAQs pertaining to the submission of BL data and the revised FTZ regime. Questions include the following:

(a) Who is the prescribed class of shipping agents who are required to submit BL data to the specified FTZ Cargo Handlers (i.e. Jurong Port Pte Ltd and/or PSA Corporation Ltd)?
(b) Are the submission requirements applicable on weekends and public holidays?
(c) What are the requirements for the submission of the required data fields from the BL, as detailed in Annex B of the Circular?
(d) Is BL data required to be submitted for transit cargoes?

Click on the following links for more information:

Available on the Singapore Statutes Online website at www.sso.agc.gov.sg:

- Free Trade Zone Act 1966
- Free Trade Zones Act 1966 - Free Trade Zones (Amendment) Regulations 2024
- Free Trade Zones Act 1966 - Free Trade Zones Regulations

Rajah & Tann publications:

- Consultation on Bill to Enhance Oversight of Goods Passing through Free Trade Zones
- Bill Passed to Enhance Oversight of Goods Passing through Free Trade Zones

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Sustainability

Beverage Container Return Scheme in Force Pursuant to Resource Sustainability Act 2019

On 12 July 2024, the Beverage Container Return Scheme ("**Scheme**") under the new Part 4B of Resource Sustainability Act 2019, as introduced by the Resource Sustainability (Amendment) Act 2023, came into force.

Adopting an extended producer responsibility approach, the Scheme aims to increase the recycling rate of beverage containers and reduce the amount of waste disposed of as well as carbon emissions, while raising consumer awareness of the importance of recycling and encouraging good recycling practices.

The Scheme will commence on 1 April 2026, revised from the 1 April 2025 date announced earlier, to allow more time for beverage producers and retailers to work with the newly-licensed Scheme operator Beverage Container Return Scheme Ltd ("**BCRS Ltd**") to design and operationalise the Scheme smoothly for the convenience of consumers. The Scheme covers pre-packaged beverages in plastic and metal containers ranging from 150 millilitres to three litres supplied in Singapore.

Key features of the Scheme include:

(a) **BCRS Ltd as the licensed Scheme operator** to be responsible for designing and operating the Scheme, encompassing aspects of collecting, sorting and recycling of beverage containers. BCRS Ltd is a not-for-profit company incorporated by a consortium of beverage producers.

(b) **Required participation in the Scheme by all producers** (e.g. importers and manufacturers) of pre-packaged beverages that supply beverages in Singapore. Producers are to: (i) register as members with the Scheme operator; (ii) register their beverage products; (iii) pay fees (per container placed on the market) to the Scheme operator to collect and recycle empty beverage containers on their behalf; and (iv) pay refundable deposits (per container per prescribed beverage product) to the Scheme operator.

(c) **Labelling of containers of prescribed beverage products** with: (i) a deposit mark for customers to identify prescribed beverage products; and (ii) a barcode to facilitate the acceptance of empty beverage containers at designated return points.

(d) **A 10-cent refundable deposit** that will be applied on all prescribed beverage products. The deposit is first provided by the producer to the Scheme operator and is refunded along the resource loop via the return point operator, consumer, then retailer.

(e) **Designated return points**, where any person may obtain a refund of the deposit by returning the empty beverage container. Larger supermarket outlets with a floor area of more than 200 square metres will be required to set up return points.

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By the full implementation date of the Scheme on 1 July 2026, all beverage containers falling within the Scheme must be labelled with the deposit mark and carry a 10-cent deposit. There will be a transition period between 1 April 2026 to 30 June 2026 for the beverage and retail industry to clear old stocks that are not labelled with the Scheme deposit mark.

Rajah & Tann Singapore is advising BCRS Ltd. in relation to the Scheme.

Click on the following links for more information:

- Resource Sustainability (Amendment) Act 2023 (available on the Singapore Statues Online website at www.sso.agc.gov.sg)
- National Environment Agency ("**NEA**") Media Release titled "NEA Licenses Scheme Operator To Design And Operate The Beverage Container Return Scheme" (available on the NEA website at www.nea.gov.sg

Singapore and Lao PDR Enter into Memorandum of Understanding to Set Up Framework for Transfer of Carbon Credits Under Article 6 of Paris Agreement

On 9 July 2024, Singapore and Lao PDR signed a Memorandum of Understanding ("**MOU**") to collaborate on carbon credits aligned to Article 6 of the Paris Agreement.

Article 6 of the Paris Agreement allows countries to voluntarily cooperate to achieve emission targets set out in their Nationally Determined Contribution ("**NDC**"), while promoting sustainable development and ensuring high environmental integrity.

The scope of MOU includes:

(a) Both countries working towards a legally binding Implementation Agreement that sets out a bilateral framework for the international transfer of correspondingly adjusted carbon credits, including the criteria and processes for transfer of carbon credits under Article 6 of the Paris Agreement.

(b) Identify potential Article 6 compliant mitigation activities which can support both countries to achieve their respective NDCs.

Singapore aims to achieve net zero emissions by 2050 and is committed to advancing global climate action through international collaboration. Currently, Singapore has signed MOUs with 17 other countries, including Cambodia, Indonesia and Vietnam, with the intent to collaborate on carbon markets that are aligned with Article 6 of the Paris Agreement. Singapore has also signed Implementation Agreements with Ghana and Papua New Guinea.

By way of background, Singapore introduced the International Carbon Credit Framework ("**ICC Framework**") in November 2022, alongside the progressive increase in carbon tax under the Carbon Pricing (Amendment) Act 2022, in force on 1 January 2024. From 2024, companies in Singapore are permitted to use eligible international carbon credits to offset up to 5% of their taxable emissions under the ICC Framework. On 19 December 2023, the Ministry of Sustainability and Environment and the National Environment Agency published the Eligibility List under the ICC Framework. The Eligibility List specifies the eligible international carbon credits and currently lists projects

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hosted in Ghana and Papua New Guinea. With the MOU, it paves the way for more projects to be included into the Eligibility List.

Click on the following links for more information:

- Ministry of Trade and Industry ("**MTI**") Press Release titled "Singapore and Lao PDR sign Memorandum of Understanding on carbon credits collaboration under Article 6 of the Paris Agreement" (available on the MTI website at www.mti.gov.sg)
- December 2023-January 2024 NewsBytes write-up titled "Release of Eligibility List for International Carbon Credits Under Singapore's Carbon Tax Regime" (page 25)

Study Jointly Issued by ACRA and NUS Finds Larger Listed Companies on Track for Mandatory Climate Reporting in FY 2025

Mandatory climate reporting requirements are set to commence in a phased approach from financial year ("**FY**") 2025, as announced by Second Minister for Finance, Mr Chee Hong Tat, at the Ministry of Finance Committee of Supply speech in February 2024. Ahead of their commencement, the Accounting and Corporate Regulatory Authority ("**ACRA**") and the Sustainable and Green Finance Institute at the National University of Singapore jointly released a study titled "Unveiling Climate-related Disclosures in Singapore: Getting ready for the ISSB Standards" ("**Study**") on 8 July 2024.

The ISSB standards refer to the International Sustainability Standards Board ("**ISSB**")-issued standards – IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

By way of background, on 28 February 2024, ACRA and the Singapore Exchange Regulation announced details of ISSB-aligned mandatory climate-related disclosure for: (i) issuers listed on the Singapore Exchange Securities Trading Limited ("**listed issuers**") from FY 2025; and (ii) large non-listed companies limited by shares with annual revenue of at least S$1 billion and total assets of at least S$500 million ("**Large NLCos**") (unless exempted) from FY 2027, as part of a finalised climate reporting and assurance implementation roadmap. This followed consultations on the recommendations from the Sustainability Reporting Advisory Committee. A snapshot of the upcoming and/or anticipated key mandatory climate reporting requirements for listed issuers and Large NLCos can be found in our March 2024 Legal Update here.

The Study examined the climate-related disclosures that were based on the Task Force on Climate-related Financial Disclosures (TCFD) framework for FY 2022 of 51 larger listed issuers, each of which had a market capitalisation above S$1 billion as of 4 July 2023. The Study found that larger listed companies, particularly those from carbon-intensive sectors, are making significant progress in climate reporting.

Key findings, among others, include:

(a) **Governance**. A strong commitment to climate matters is evident, with 94% of companies studied forming committees or assigning roles for climate risks and opportunities. However, the Study highlighted the

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need to strengthen the disclosure on Board involvement in performance objectives related to climate matters.

(b) **Strategy**. While 88% of the companies studied disclosed the physical and transitional climate-related risks, there was a gap in those disclosing related opportunities (61%) and the resilience of their strategies against climate change effects (75%). Only 16% of the companies studied disclosed how they have incorporated climate-related risks in their financial planning.

(c) **Risk Management**. About 71% of the companies studied made substantial disclosure of the processes for identifying and assessing climate-related risks, but only 24% reported on their significance relative to other risks and 10% reported on their potential magnitude. Hence, the Study noted the need for companies to contextualise climate-related risks to provide actionable insights.

(d) **Metrics and Targets**. There was commendable reporting on Scope 1 and 2 greenhouse gas ("**GHG**") emissions at 96% and 100% of the companies studied respectively and 59% for Scope 3 emissions. However, the disclosures on opportunity metrics and executive pay linked to climate performance require improvement as less than 10% of the companies studied had done so.

The Study also shared examples of best practices by some local and overseas companies, particularly in disclosing climate opportunities and strategy resiliency as well as linkages between climate factors and financial information, which Singapore companies can learn from. The Study also shared recommendations on how companies can enhance their climate disclosure and work towards future-proofing their strategies and business model.

Companies can take note of the following initiatives to help them meet the upcoming reporting requirements:

(a) **Sustainability Reporting Grant**. Launched by the Singapore Economic Development Board and Enterprise Singapore, this grant provides funding support for large companies with annual revenue of S$100 million and above to produce their first sustainability report in Singapore before mandatory reporting takes effect. The grant defrays up to 30% of qualifying costs, capped at the lower of S$150,000 per company or 30% of the qualifying costs. The disclosures are to be consistent with the ISSB standards.

(b) **Green Skills Committee**. Established by the Ministry of Trade and Industry and SkillsFuture Singapore in collaboration with the private sector, this committee aims to develop skills and training programs for the low-carbon economy. With a focus on sustainability reporting and assurance, the initiative seeks to upskill workers within companies and assurance providers in sustainable reporting capabilities.

(c) **Advanced Digital Solutions ("ADS") Scheme**. Curated by the Infocomm Media Development Authority ("**IMDA**"), the digital sustainability solutions under the ADS scheme help eligible enterprises kickstart their sustainability journey by measuring, monitoring, and managing their emissions. This enables them to stay competitive with customers and improve the oversight and reporting of Scope 3 emissions within their supply chain. IMDA also supports enterprises

keen to collaborate with value chain partners to drive sustainability through digitalisation.

(d) **Singapore Emission Factors Registry**. Created by the Singapore Business Federation in collaboration with the Agency for Science, Technology and Research, PwC Singapore, and Singtel, this registry will provide conversion factors that translate different business activities into corresponding GHG emissions. This supports the existing reporting solutions in the ecosystem. More information on the registry can be found in our April 2024 NewsBytes write-up titled "Singapore to Establish Emission Factors Registry to Help Singapore Businesses Track and Report Carbon Emissions More Accurately" here (page 19).

Click on the following links for more information (available on the ACRA website at www.acra.gov.sg):

- ACRA Press Release titled "Larger Listed Companies on Track for Mandatory Climate Reporting in FY 2025 – Study by ACRA and NUS"
- Full Report – "Unveiling Climate-related Disclosures in Singapore: Getting ready for the ISSB Standards"

Technology, Media & Telecommunications

Singapore and European Union Conclude Negotiations on European Union-Singapore Digital Trade Agreement

The Ministry of Trade and Industry ("**MTI**") announced the conclusion of negotiations on the European Union ("**EU**")-Singapore Digital Trade Agreement ("**EUSDTA**") on 25 July 2024.

The EUSDTA aims to provide clarity and legal certainty for companies and consumers on the rules for digital trade between Singapore and the EU, and strengthen digital connectivity and interoperability between the respective digital markets. It comprises commitments between the nations to enable open and secure data flows, facilitate end-to-end digital trade, and establish trusted and secure digital systems.

The EUSDTA includes the following key features:

(a) Legally binding rules to prohibit data localisation requirements and uphold the protection of personal data;
(b) Allowing for more seamless and cost-efficient transactions;
(c) Protecting against forced transfers of technology and intellectual property;
(d) Protecting consumers from unfair practices and spam; and
(e) Promoting cooperation, including enhancing opportunities for Small and Medium Enterprises to participate in the digital economy.

The EUSDTA builds on the EU-Singapore Digital Partnership, which is an overarching framework for all bilateral digital economy cooperation, as well as the Digital Trade Principles which outline the scope of a possible digital trade agreement and marked the first step toward the EUSDTA.

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- MTI Press Release titled "Singapore and the European Union conclude negotiations on a Bilateral Digital Trade Agreement" (available on the MTI portal at www.mti.gov.sg)

PDPC Launches Proposed Guide to Synthetic Data Generation

The Personal Data Protection Commission ("**PDPC**") has launched a Proposed Guide on Synthetic Data Generation ("**Guide**") to help organisations understand Synthetic Data ("**SD**") generation techniques and potential use cases. The Guide will be offered as a resource within the Privacy Enhancing Technology ("**PET**") Sandbox.

PETs are technologies that allow the processing, analysis, and extraction of insights from data without revealing the underlying personal or commercially sensitive data. SD generation is an increasingly utilised PET, in which artificial data is created to drive the growth of Artificial Intelligence ("**AI**")/Machine Learning by enabling AI model training while protecting the underlying personal data.

However, while SD is generally fictitious data that may not be considered personal data on its own, it still carries the risk of possible re-identification. The Guide thus seeks to address these risks by proposing good practices in the generation of SD. It also includes risk assessments/considerations, governance controls, contractual processes, and technical measures.

The Guide includes a Handbook on Key Considerations and Best Practices in SD Generation. It describes the key considerations and best practices for organisations to reduce re-identification risks of SD through a five-step approach:

(a) Step 1: Know your data
(b) Step 2: Prepare your data
(c) Step 3: Generate SD
(d) Step 4: Assess re-identification risks
(e) Step 5: Manage residual risks

For more information, click here to read our Legal Update.

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Trade

Singapore-Malaysia Mutual Recognition Arrangement on Authorised Economic Operators Takes Effect from 30 July 2024

On 18 January 2024, Singapore and Malaysia signed the Mutual Recognition Arrangement ("**MRA**") of Authorised Economic Operator ("**AEO**") programmes (see the Singapore Customs' press release dated 23 January 2024 titled "Certified Companies to Enjoy Reduced Customs Checks for Goods Traded between Singapore and Malaysia").

On 22 July 2024, the Singapore Customs issued Circular No. 05/2024 titled "Implementation of Malaysia - Singapore Mutual Recognition Arrangement", stating that the Malaysia-Singapore MRA on AEOs will be operational with effect from 30 July 2024.

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Under the MRA, companies certified under the Singapore Customs' Secure Trade Partnership-Plus ("**STP-Plus**") programme will benefit from facilitated clearance for their goods exported to Malaysia, e.g. reduced customs documentation checks and/or physical cargo inspections. Likewise, companies accredited under Malaysia's AEO programme will similarly enjoy facilitated clearance on their goods exported to Singapore.

To enjoy a higher level of facilitated clearance in Singapore and Malaysia, companies will need to declare the relevant AEO codes in their import/export declarations. As such:

(a) Singapore companies that are exporting to or importing from Malaysia AEO companies should obtain the AEO code from their business partner in Malaysia (a Malaysia AEO company) for declaration to Singapore Customs.

(b) STP-Plus companies who are exporting to or importing from Malaysia should provide their STP code to their business partner in Malaysia (who need not be a Malaysia AEO company) for declaration to the Royal Malaysian Customs Department.

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White Collar Crime / Criminal

Bill to Enhance Enforcement Against Money Laundering Offences and Tighten Customer Due Diligence Requirements for Casinos Passed

On 6 August 2024, the Anti-Money Laundering and Other Matters Bill ("**AML Bill**") was introduced for Second Reading in Parliament and was passed.

The AML Bill will:

(a) Enhance the ability of law enforcement agencies ("**LEAs**") to pursue and prosecute money laundering ("**ML**") offences:
- **Facilitate the prosecution of money mules for ML** where the monies laundered had passed through bank accounts/intermediaries in foreign jurisdictions before entering Singapore. It will suffice to prove beyond reasonable doubt that the money launderer knew or had reasonable grounds to believe that he was dealing with criminal proceeds; the direct link between the criminal conduct and monies allegedly laundered in Singapore need not be shown.
- **Designate serious foreign environmental crimes as ML predicate offences**. This allows LEAs to investigate ML offences if it is suspected that the monies in Singapore are derived from such crimes committed overseas.
- **Enhance the authorities' abilities to detect ML, terrorism financing ("TF") and proliferation financing ("PF")** by allowing government agencies to share tax and trade data and allowing Anti-Money Laundering and Countering the Financing of Terrorism ("**AML/CFT**") regulators access to suspicious transaction reports filed by regulated entities.

(b) Clarify and improve processes to deal with seized or restrained properties ("**SRPs**") linked to suspected criminal activities:

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- **Allow the court-ordered sale of SRPs linked to suspected criminal activities under certain conditions**. This allows LEAs to reduce the cost of property maintenance and preserve the value of SRPs, to enhance subsequent asset recovery and restitution to victims.
- **Clarify the processes for dealing with properties** linked to persons suspected of having committed offences under Singapore's laws and cannot be found**.** This will prevent: (i) the premature release of such properties while investigations are ongoing; and (ii) a situation where an absconded person evades investigations by staying outside Singapore and makes a successful claim to such properties because investigations have not been able to proceed.

(c) Align the AML/CFT framework for casino operators with Financial Action Task Force ("**FATF**") standards:

- **Tighten requirements for casino operators** to conduct customer due diligence checks for detection and prevention of ML/TF/PF, require them to consider PF risks when conducting such checks, empower authorities to issue regulations requiring them to detect or prevent PF, and lower the quantum for when such checks are required.

CaseBytes

A Free Lunch? Singapore High Court Considers Whether Agent is Entitled to Commission Despite Not Being Effective Cause of Transaction

When a principal engages an agent to bring about a transaction, many would reasonably assume that to claim their commission, the agent should have been the effective cause of, or minimally have done some work on, the transaction. After all, there is no such thing as a free lunch – or is there?

In *Turms Advisors APAC Pte Ltd v Steppe Gold Ltd* [2024] SGHC 174, the Singapore High Court ("**Court**") found that the contract between the parties did not contain an express term that the agent had to be the effective cause of the transaction ("**effective cause term**"). This raised the following questions – could an effective cause term then be implied into the contract? If the agent was not entitled to its commission, could it claim a reasonable *quantum meruit*, i.e. a reasonable sum in respect of services supplied?

In this Update, we look into the Court's reasoning as to why the agent was not required to be the effective cause of the transaction in the circumstances, as well as its answers to these questions.

The defendant was successfully represented by Deputy Managing Partner Kelvin Poon, SC, Partner Devathas Satianathan, and Associate Timothy James Chong of Rajah & Tann's Constructions & Projects and International Arbitration .

For more information, click here to read our Legal Update.

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Is a Claim Against a Bankrupt for Breach of Fiduciary Duty a Provable Debt in Bankruptcy?

In *Re: Xerxes J Medora* [2024] SGHC 196, the Singapore Court considered a novel question on the administration of bankruptcy estates: is a claim against a bankrupt for breach of fiduciary duty a provable debt in bankruptcy?

The bankrupt, THM, was the director and owner of a number of companies, including POA. POA's liquidators lodged a proof of debt in THM's bankruptcy for a sum representing the transfer of money that THM had allegedly procured in breach of his fiduciary duties to POA. The Private Trustee in THM's bankruptcy assessed that POA had indeed established a clear case of breach of fiduciary duty against THM, and was thus prepared to accept the proof of debt subject to the Court's direction on certain issues, including the key question that was the subject of this application: whether POA's proof of debt against THM in respect of its claim for breach of fiduciary duty could be accepted by the Private Trustee under the proof of debt process in THM's bankruptcy.

The Court split this question into two issues:

(a) whether a claim for breach of fiduciary duty is a provable debt in bankruptcy; and
(b) if so, when a claim for breach of fiduciary duty can be resolved within the proof of debt regime.

The Court held that a claim for breach of fiduciary duty is a provable debt in bankruptcy. A claim for breach of fiduciary duty should be recognised as an unliquidated claim arising by reason of a breach of trust under section 87(3) of the Bankruptcy Act by reading "breach of trust" in an expansionary manner.

As to whether a claim for breach of fiduciary duty ought to be resolved within the proof of debt regime, the Court expressed the view that the complexity of the claim was an important factor, and that the principles governing applications for leave to commence an action against a bankrupt or company in insolvent liquidation would be relevant. Further, the issue of whether a claim should be resolved through the proof of debt regime was a matter that would be, in the first instance, for the officeholder to assess and determine; the Court would generally be disinclined to interfere with the officeholder's decision-making.

The Court thus held that in principle, there was no objection for POA's claim against THM for breach of fiduciary duty to be accepted under the proof of debt process in THM's bankruptcy. Claims of this type are within the ambit of provable debts in bankruptcy. However, the Court made no decision or direction on the specific issue of whether the Private Trustee should accept POA's proof of debt; that was a matter for the Private Trustee to decide in the first instance.

The Private Trustee was represented by Chew Xiang from the Restructuring & Insolvency Practice and Naomi Lim from the China-Related Investment Dispute Resolution Practice.

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Reversal of Nickel Trades Arising from Market Suspension – Court Considers Trader's Entitlement to Damages

In *Foreland Singapore Pte. Ltd. & Anor v IG Asia Pte. Ltd.* [2024] SGHC 179, the Court considered a claim for notional profits earned by the two plaintiffs (collectively, "**Foreland**") on certain closing nickel contract-for-differences (CFD) trades ("**FCTs**") done on 8 March 2022 following an extraordinary surge in nickel prices, which the defendant ("**IGA**") had automatically put through to its central risk management entity ("**IGM**") in London. All trades from IG entities were aggregated by IGM and any exposure above a certain internal risk limit was hedged through IGM's hedging brokers on the London Market Exchange ("**LME**"). In this case, the LME first suspended and then reversed all trades done on 8 March 2022 ("**Suspension and Reversal**") with the result that IGM's hedges could not be executed. As result, the FCTs were reversed and Foreland's requests for payment of the notional profits were denied.

The relationship between Foreland and IGA was governed by, among other documents, the Margin Trading Customer Agreement ("**MTCA**"). Notably, Term 23 of the MTCA dealt with Force Majeure Events, including "the suspension or closure of any market".

Foreland claimed against IGA for the notional profits from the FCTs. The Court dismissed Foreland's claim, holding that IGA was not obliged to pay these notional profits to Foreland and that although IGA was not entitled to reverse the FCTs, Foreland suffered no loss arising from this. In reaching its decision, the Court made, among others, the following key findings:

(a) The consequences of the Suspension and Reversal could be visited on Foreland despite Foreland dealing with IGA on an over-the-counter (OTC) basis.
(b) The Suspension and Reversal qualified as a Force Majeure Event under Term 23(1) of the MTCA.
(c) Despite this, IGA was not entitled by the Suspension and Reversal to reverse the FCTs.
(d) However, Foreland suffered no loss from the reversal of the FCTs. Term 23(2) of the MTCA served to extinguish IGA's payment obligations to Foreland, and Foreland's entitlement to any notional profits from the FCTs had thus been extinguished before the reversals. As such, the Court dismissed Foreland's substantive claim against IGA but awarded each of the plaintiffs S$1,000 in nominal damages.

IGA was successfully represented by Harish Kumar, Marissa Zhao and Kiran Makwana from the Commercial Litigation Practice.

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Deals

De-SPAC Transaction between Synagistics and HKAC

Hoon Chi Tern, Lee Xin Mei and Eugene Lee from the Capital Markets Practice and Banking & Finance Practice are acting for Synagistics Pte. Ltd. in the De-SPAC transaction between Synagistics and HKAC, a special purpose acquisition company (SPAC) listed on the Main Board of the Stock Exchange of Hong Kong Limited.

Acquisition of Singapore Breast Surgery Centre

Tracy Ang from the Mergers & Acquisitions Practice acted for key shareholders of Singapore Breast Surgery Centre in its acquisition by private equity firm Templewater's portfolio company from the key shareholders and TE Asia Healthcare.

Substantial Investment into Amsino and Subsequent Exit of Amsino's Investors

Tan Mui Hui from the Mergers & Acquisitions Practice acted for Amsino Medical Group Company Limited in a substantial investment into Amsino by private equity firm Novo Tellus Capital Partners, and the subsequent exit of Amsino's investors Jiangsu Yuwell Medical Equipment & Supply Company Limited and Jiangsu Yuwell Technology Development Company Limited via a share buyback carried out by Amsino.

Authored Publications

Latest Developments on the "Fair and Equitable Treatment" Standard in Investment Treaty Arbitration

The fair and equitable treatment ("**FET**") standard remains one of the key protections relied on by investors in investment disputes, but is often left undefined. Nonetheless, by general consensus and subject to treaties specifically providing otherwise, the core content of the FET standard appears to comprise: (i) protection afforded to the legitimate expectations of the investor; (ii) protection against arbitrary or discriminatory treatment; and (iii) protection against a host state's denial of justice to the investor.

Rajah & Tann Singapore has contributed a chapter on the FET standard, titled "Fair and Equitable Treatment", to Lexology's *In-Depth: Investment Treaty Arbitration* (formerly the *Investment Treaty Arbitration Review*). The chapter provides an overview of recent awards that have discussed and applied the FET standard. Covering disputes over renewable energy in Bulgaria to snow crabs in Norway, the awards illustrate how the tribunals sought to strike a balance between investors' rights, including their legitimate expectations, with the states' sovereign right to legislate and regulate.

The chapter was authored by Deputy Managing Partner and Head of the International Arbitration Practice Kelvin Poon, SC, together with Partners Matthew Koh and David Isidore Tan, Senior Associates Dennis Saw and Benny Santoso, Associates Jodi Siah, Timothy James Chong and Jerry Wang, and Practice Trainee Sean Gregory Rappa.

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Events

Masterclass: Mastering AI Ethics & Governance

On 25 and 26 July 2024, SUTD Academy, Rajah & Tann Singapore, Rajah & Tann Technologies and their content development and training business pillar Novusdemia organised an expert masterclass titled "Mastering AI Ethics & Governance". Conducted by two thought leaders in artificial intelligence ("**AI**") – including Rajesh Sreenivasan, Head of the Technology, Media and Telecommunications Practice – the case-studies based management workshop provided a broad a deep understanding of (i) the ethical issues surrounding the development and deployment of AI; (ii) the regulatory parameters that define AI; and (iii) the frameworks that govern it in key countries.

The speakers of the masterclass also covered the tools and governance frameworks needed to handle AI issues rationally, morally, and ethically.

Expanding Beyond Borders – Legal, Regulatory and Commercial Considerations for Vietnamese Companies

On 23 July 2024, EDB Singapore, Rajah & Tann Asia, and Dreamplex organised a seminar titled "Expanding Beyond Borders – Legal, Regulatory and Commercial Considerations for Vietnamese Companies".

Logan Leung, Deputy Managing Partner of Rajah & Tann Asia Vietnam member-firm Rajah & Tann LCT Lawyers, and Alroy Chan from Rajah & Tann Singapore's Corporate Commercial Practice, were among the speakers at the seminar. The speakers discussed the legal, regulatory and commercial considerations for Vietnamese companies wishing to expand their reach to Singapore and the region. Topics covered included:

- the investment landscape and growth opportunities in Singapore and the region;
- the legal and regulatory considerations for doing business in Singapore; and
- regulatory considerations for Vietnamese companies expanding outwards.

RTA AI Symposium: AI Unleashed – A Multi-Disciplinary Dialogue on AI Deployment

On 22 July 2024, Rajah & Tann Asia's ("**RTA**") Data & Digital Economy Sector Group conducted its inaugural RTA AI Symposium. With the theme "AI Unleashed – A Multi-Disciplinary Dialogue on AI Deployment", the symposium brought together the region's top Technology, Media and Telecommunications (TMT) lawyers from across the RTA network, artificial intelligence ("**AI**") solutions providers, in-house counsels from leading technology companies, cybersecurity experts, and technology specialists.

Key topics discussed at the symposium included:

- Practical advice for implementing AI projects across the Association of Southeast Asian Nations (ASEAN) and achieving interoperability;
- Intellectual property, ethics and AI regulatory frameworks;

- Cybersecurity and data protection challenges surrounding AI deployment;
- Strategies for effective AI deployment;
- Development of AI management and governance frameworks; and
- Preparatory steps for integrating AI into legal workflows.

The RTA panellists at the various panel discussions at the symposium comprised Rajesh Sreenivasan (Rajah & Tann Singapore), Zacky Zainal Husein and Iqsan Sirie (Assegaf Hamzah & Partners), Deepak Pillai (Christopher & Lee Ong), and Wong Onn Chee (Rajah & Tann Cybersecurity). Rajesh Sreenivasan, Steve Tan and Lionel Tan (Rajah & Tann Singapore), and Michael Lees (Rajah & Tann Technologies) acted separately as moderators at the panel discussions.

It was also at this symposium that RTA officially launched its RTA AI Toolkit, which helps organisations assess their readiness in deploying AI systems. Click here to access the AI Toolkit site, which also provides AI updates and helpful resources.

Personal Data Protection Conference: Navigating Personal Data Protection Requirements in Indonesia – Compliance with Law No. 27 of 2022

Rajah & Tann Asia's ("**RTA**") Indonesia member-firm Assegaf Hamzah & Partners ("**AHP**") recently hosted a conference on Indonesia's Personal Data Protection law titled "Navigating Personal Data Protection Requirements in Indonesia: Compliance with Law No. 27 of 2022 (Lessons and Implementation Challenges)". Featuring drafters of Indonesia's Personal Data Protection ("**PDP**") Law, and distinguished practitioners from various sectors, the conference sought to give invaluable insights into the new PDP landscape in Indonesia.

The event was graced by Aries Kusdaryano from KEMENKOMINFO's Directorate of Informatics Applications Governance who delivered a keynote speech, alongside Ibrahim Sjarief Assegaf, the Managing Partner of AHP.

The speakers from RTA comprised Steve Tan (Rajah & Tann Singapore), Zacky Zainal Hussein (AHP) and Wong Onn Chee (Rajah & Tann Cybersecurity), who expounded on the strategies for handling multi-jurisdictional data breaches.

The event, conducted in both Bahasa Indonesia and English, also provided a networking opportunity for data privacy professionals and industry leaders.

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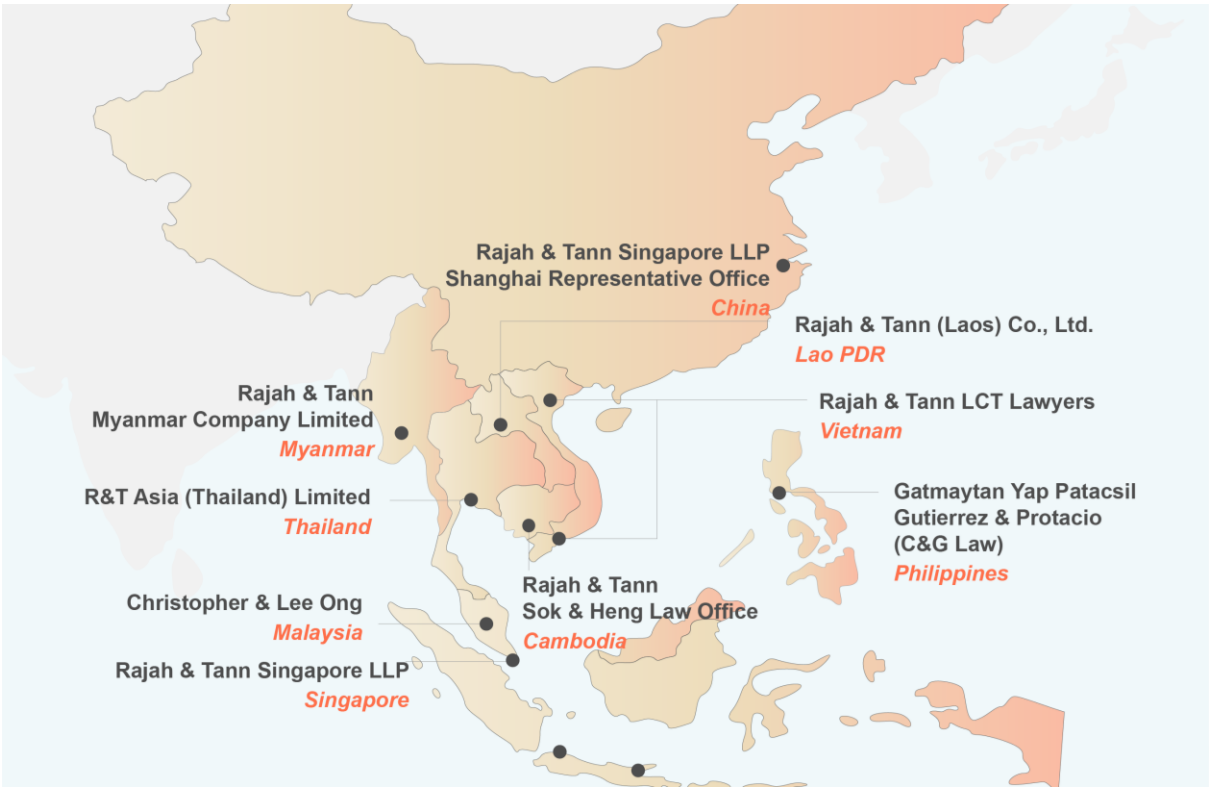

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